

THE WORLD'S FIRST AIR CARGO MAGAZINE — COMPLETING ITS 17th YEAR

AIR TRANSPORTATION

SEPTEMBER • 1959 *The Air Magazine for The Modern Shipper* Vol. 35 No. 3

IN THIS ISSUE . . .

*On the Brink of the
Cargo Age*

*Freer Competition in
Air Cargo*

*A Major Cost Study
Proves a Big Point*

Publisher's Letter

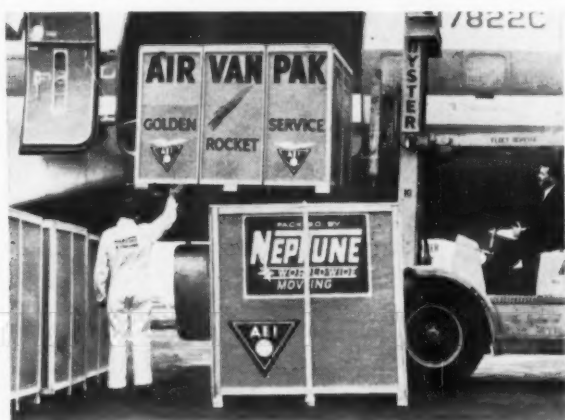
EVERYONE'S IN FAVOR OF THIS MOVE!

Industry Personnel and Employers Hail
AIR VAN PAK GOLDEN ROCKET SERVICE
New Door-to-Door Through-Rate Overseas
Shipment of Household Goods!

Relocated personnel hail the Air Van Pak Golden Rocket Service because it permits resumption of normal living quickly . . . cuts *days* from normal relocation time. Employers hail it because it cuts *dollars* from costs and boosts employee morale. Air Van Pak Golden Rocket Service is a joint venture of Air Express International, the world's largest indirect international air carrier, and Neptune World-Wide Moving, largest independent Class A van carrier. Neptune's personnel move household

goods in special vans to AEI gateways, pack them in lightweight, waterproof containers for swift air movement on the carrier offering the first flight out. The containers, completely approved by the U. S. Government for highest priority shipments, after scientific packing, are sealed, minimizing weather damage, breakage, pilferage, claims. Container's weight minimizes costs and it is dispensable — no deposit or return required. AEI'S low, specific commodity rates apply and shippers have the AEI advantages of one call, one through rate, one invoice, single insurance and responsibility.

When it comes to relocating personnel abroad . . . check with your nearest AEI or Neptune office first!



ELECTRONICS EQUIPMENT SHIPPERS!

Ask about the new speed, safety and savings you get from the Air Van Pak Golden Rocket Service. Special vans and low, low rates assure efficiency and economy!

AIR VAN PAK



AIR EXPRESS INTERNATIONAL CORP. World Headquarters: 90 Broad Street, New York 4, N. Y.

Pioneer in international air express since 1935. Not affiliated with any other air express company.

GOLDEN ROCKET OFFICES: New York • Chicago • Newark • Los Angeles • Philadelphia •

San Francisco • Detroit • Atlanta • Dallas • Houston • Miami • New Orleans • Oklahoma City • San Juan, Puerto Rico

GOLDEN ROCKET SERVICE

B·O·A·C		SPEEDBIRD CARGO SERVICES
FROM	TO	
YOU	EUROPE, AFRICA, ORIENT AUSTRALIA, CARIBBEAN	
FASTEST · SUREST · MOST DIRECT		

Fast delivery as "easy as B-O-A-C"

WHEN your customer or branch overseas is waiting...BOAC can expedite your shipment.

Everyone on our team...clerical, ground, air personnel...all buckle down and make you feel that every shipment you entrust to BOAC gets interested, careful, conscientious handling *and fast delivery.*

We carry no "orphans." Every parcel, package, crate and carton receives individual attention...when it flies with BOAC.

Frequent flights mean certain space for your shipment. Try BOAC next time!

B·O·A·C

BRITISH OVERSEAS AIRWAYS CORPORATION
The Most Experienced Jet Airline
in the World

World-wide routes, with flights from New York, Boston, Chicago, Detroit, San Francisco, Montreal. Offices also in Atlanta, Dallas, Los Angeles, Miami, Philadelphia, Pittsburgh, Washington, Toronto, Vancouver, Winnipeg.

General Sales Agents for QANTAS, TEAL, S.A.A., C.A.A., M.E.A., B.E.A., & B.W.I.A.

In short...

HARD TO UNDERSTAND why the powers-that-be at the United States exposition in Moscow displayed month-old editions in its exhibit of typical American newspapers. Didn't anybody over in Washington ever consider airlift? It certainly would have been possible to have a fresh supply flown in every day. Air France, BEA, KLM, Sabena, and SAS have direct flights to the Soviet capital. Other carriers have interline agreements. Russians have read in their papers all about the TU-114's record flight from Moscow to New York. Not a word about Nixon's dazzling record hop to Moscow in a Boeing 707 appeared in the Russian press. A daily supply of American newspapers would have set the two flights in their proper perspective.

THE FAMED MANCHESTER GUARDIAN of England has dropped "Manchester" from its title and has become The Guardian. Reason: the universally respected newspaper has for years been a national journal, developing away from its original provincial status. For example, it has 20,000 readers in the United States. Air distribution is providing a similar possibility in our own country. Jetfreight is increasing that possibility. A great newspaper of the quality of The New York Times (to name one) is the nearest thing to a national journal on this side of the Atlantic. As speeds increase and rates come down--both are a certainty--we may expect the evolution of one or more newspapers with truly national circulations running into many millions.

IT'S MOST WELCOME NEWS that the Civil Aeronautics Board finally has come around to according the development of air cargo high-priority status (see Page 6). Report is that the Board is disturbed over air cargo's limping development. Where is that big potential everybody was talking about after the war? It's still there. But it won't be tapped with halfway measures. If the Board is serious about the matter--and we presume it is--it will have to go whole-hog.

LOOK FOR AN UPSURGE of forwarder interest in consolidation. A number of registered forwarders, who until the present have been content to go along as 5%-earning cargo agents of the scheduled international airlines, are due to swing their efforts towards consolidating shipments. Tariffs are being readied. Domestic and overseas agencies are being arranged. Among them hope for "a good mixed-consignment rule" is high.

THE DROP IN U. S. EXPORTS has worried international traders and stirred up activities of high-tariff protectionists. The Department of Commerce is confident the bottom of the slump has been reached. It has aired a program aimed at increasing exports. One important part of the project is a special emphasis on our trade fairs program. A worthy decision, we feel. Hence we are at a loss to understand why the United States, after constructing a building at the St. Erik's International Trade Fair in Stockholm, decided against occupying it. Reason reported: economy. Who's kidding whom?

AIR TRANSPORTATION

The World's First Air Cargo Magazine
Established October, 1942



Member of Business Publications Audit
of Circulation, Inc.

AIR TRANSPORTATION, published once each month, thoroughly covers the entire air cargo industry for the benefit of all those engaged in shipping and handling domestic and international air freight, air express, and air parcel post. Included in AIR TRANSPORTATION'S wide coverage are: air shipping, cargo plane development, rates, packaging, materials handling, documentation, air cargo terminal development, insurance, routing, interline procedures, new equipment, commercial airlines, military air transport service, air freight forwarding.

Subscription rate for United States and Territories, \$5.00 for one year, \$8.00 for two years, and \$11.00 for three years; foreign countries, \$6.00 for one year, \$10.00 for two years, and \$14.00 for three years. Individual copies (except November), 50 cents each; November issue, \$1.00 per copy.

John F. Budd
Editor and Publisher

<i>Editorial</i>	<i>Advertising</i>
Richard Malkin	William E. Budd
Executive Editor	Ass't to the Publisher

M. R. Hubbard, Business Manager

Frank W. Budd, Circulation Manager

Viola Castang, Special Service Department

Keith H. Evans & Associates
West Coast Advertising Representative
3723 Wilshire Blvd., Los Angeles 5, Calif.
Phone: DUnkirk 8-2981

J. B. Tratsart, Ltd.
United Kingdom Sales Representative
168A, Greenford Road
Harrow, Middlesex, England

AIR TRANSPORTATION is published by Import Publications, Inc., Ten Bridge Street, New York 4, N. Y.; also publishers of *Custom House Guide*, *American Import & Export Bulletin*, and *Air Shippers' Manual*. Reprinting of any article or portion of an article appearing in this magazine without written permission, is strictly forbidden. AIR TRANSPORTATION is available on microfilm. For information contact publications office.

EXECUTIVE OFFICES

10 BRIDGE ST., NEW YORK 4, N. Y.
Phone: WHitehall 4-2896
Cable: CUSTOGUIDE

LONDON EDITORIAL OFFICE
c/o FREIGHT NEWS
16 West Central St.
LONDON W. C. 1, ENGLAND
Phone: Temple Bar 9551

Copyright, 1959, Import Publications, Inc.

Vol. 35, No. 3

September, 1959

CONTENTS

FEATURE ARTICLES

- | | |
|--------------------------------------|----|
| On the Brink of the Cargo Age | 18 |
| By Emery F. Johnson | |
| Freer Competition in Air Cargo | 19 |
| By Louis J. Hector | |

EDITORIAL

- | | |
|--------------------------|----|
| Publisher's Letter | 16 |
| By John F. Budd | |

SPECIAL FEATURE

- | | |
|---|----|
| A Major Cost Study Proves a Big Point | 20 |
|---|----|

DEPARTMENTS

- | | | | |
|-----------------------|----|------------------------|----|
| Air Commerce | 6 | Forwarders | 27 |
| Airports | 28 | From the Readers | 12 |
| Books | 33 | IATA | 33 |
| CAB | 28 | In Short | 4 |
| Come 'n' Get It | 34 | Interline | 33 |
| Congratulations | 30 | Services | 28 |

ADVERTISERS

- | | | | |
|--|-----------|-------------------------------------|-----------|
| ASA International Airlines | 14 | Paul V. Maur | 31 |
| ASI | 31 | F. W. Neukirch A. G. | 31 |
| Air Express International | 1st Cover | H. G. Ollendorff, Inc. | 30 |
| Air France | 8 | Pan American Grace Airways | 27 |
| Air-Sea Forwarders, Inc. | 26 | Pan American World Airways | 17 |
| Airborne Freight Corp. | 28 | Parker & Co. | 29 |
| Alitalia | 12 | Penson & Company | 30 |
| Peter A. Bernacki, Inc. | 26 | Pitney-Bowes, Inc. | 3rd Cover |
| Bolliger Transport | 31 | Qantas Empire Airways | 10 |
| British Overseas Airways Corp. | 3 | RANSA Airlines | 24 |
| Canadian Pacific Airlines | 23 | Riddle Airlines | 13 |
| Dachser Spedition | 31 | H. Ritschard & Cie., S. A. | 31 |
| Frank P. Dow Co., Ltd. | 27 | Ruys & Co. | 31 |
| Emery Air Freight Corp. | 9 | Scandinavian Airlines Syst-m | 22 |
| European Freight Forwarders | 31 | Seaboard & Western Airlines | 14 |
| Fallenius & Lefflers A/B | 31 | J. D. Smith, Inter-Ocean, Inc. | 30 |
| Flying Cargo, Inc. | 27 | Swissair | 4th Cover |
| Hensel, Bruckmann & Lorbacher, Inc. | 30 | Trans-Caribbean Airways | 26 |
| Irish Air Lines | 25 | Trans World Airlines | 7 |
| Japan Air Lines | 15 | Union Transport-Betriebe | 31 |
| KLM Royal Dutch Airlines | 11 | Van Oppen & Co. N. V. | 31 |
| Lamprecht & Co. Ltd. | 31 | Gebrueder Weiss | 31 |
| Leygonie Fils | 31 | Western Union | 2nd Cover |
| V. T. Mancusi | 30 | World Transport Agency Ltd. | 31 |

Presidency of Riddle Is Resigned by Giles

George L. Giles, who was elected president of Riddle Airlines in the spring of 1958, has resigned that office. The board of directors of the scheduled all-cargo airline announced that Edward T. Thompson, Jr., senior vice president, has been "placed in charge until a new president is elected."

At the time of the announcement, no mention was made of Giles' future plans. It did state, however, that "due to his convictions of the future of air cargo, it is a known fact that he will remain active in this field."



Giles



Thompson

Changes at Riddle

Giles has previously been associated with the Curtiss Aeroplane Co. and the William D. Pawley organization. While with the latter firm, he supervised the construction and operation of aircraft factories in China and India. From 1952 to 1954 he served as personal representative of the Secretary of Defense in connection with the construction of airport facilities in Europe in support of NATO.

BOAC First With Round-The-World Jet Service

British Overseas Airways Corporation, which has several jet airliner flights to its credit, has opened the first globe-girdling jet service. This became a reality two weeks after President Eisenhower, following two months' delay, approved the unanimous decision of the Civil Aeronautics Board to amend BOAC's foreign air carrier permit, revising its London-New York/San Francisco routing so as to authorize the airline to include Tokyo in its trans-Pacific operations.

Britannia 312 propjets will fly two round trips per week between London and Hong Kong, via New York, San Francisco, and Honolulu, linking in the Far East with Comet 4 pure jets which, since last spring, have been operating between the English capital and Hong Kong and Tokyo, via the Middle East, Pakistan and India.

CAB is Looking Into A Jetfreight Fleet

The big news is that, at long last, the Civil Aeronautics Board is giving air cargo top billing. It waited until the Jet Era to do so, but it's in the works.

James R. Durfee, CAB chairman, has asked a number of United States airlines to attend a hearing scheduled for early this month for the purpose of discussing (1) the need for jetfreighters, (2) their plans for acquiring and purchasing new cargo aircraft, and (3) whether Government guarantees will generate more interest in acquiring all-cargo fleets.

Durfee indicated that the Board is disturbed by the lack of realization of the vast cargo potential known to exist. According to a report, the Government is inclined toward guaranteeing up to \$75 million in loans to each air carrier participating in a program to develop airlift capacity and push closer to the true air-cargo potential.

Freight Building Opened In Denver by Continental

A 2,000-square-foot freight structure has been opened by Continental Airlines at Stapleton Airfield, Denver.



Brown
More space

According to an announcement by Elden D. Brown, director of air cargo sales for the airline, the new building "will enable the company to handle the substantially increased air freight loads expected to be carried on Golden Jet Boeing 707 flights" which Continental inaugurated between Denver and both Chicago and Los Angeles last month.

Traffic Clubs Parley Set for Sept. 21-22

Delegates to the 36th annual convention of the Associated Traffic Clubs of America will gather at the Lord Baltimore Hotel, Baltimore, on September 21-22. Among the speakers will be Gen. E. C. R. Lasher, USA (Ret.), president of the North American Car Corp.; Mrs. Ivy Baker Priest, Treasurer of the United States, and Alex Dreier, radio and television news commentator.

Cargoplane Purchases Continue to Make News

Hard on the heels of the announcement of Lockheed Aircraft's first commercial sale of its *Super Hercules* propjet airfreighter (*August 1959 AT; Page 8*), the manufacturer followed through with a second report which revealed that Pan American World Airways has ordered a dozen specially designed versions of the *Super Hercules*. It has been designated as the Lockheed 207. The Pan Am order, including spares, totals \$60 million. Deliveries are scheduled for 1962.

Maximum payload of the big propjet is 73,000 pounds. Usable cargo space is 6,563 cubic feet. Cruising speed is 360 miles per hour, with a range placed at 4,400 statute miles.

In releasing the announcement of the purchase, Juan T. Trippe, Pan Am president, said that "the low ton-miles cost of Pan American's new cargo fleet should permit cutting nearly in half most overseas cargo and mail rates." He pointed out also that "U. S. magazines and newspapers . . . could be delivered at low cost anywhere in the world by air."

Slick Airways, which according to certain industry reports is planning to return to common carrier operations, has purchased six *Super Hercules* aircraft for a figure put at \$22 million. In addition it has ordered three 1049H *Super Constellations* from Lockheed, these at a cost of \$7 million, including spares. Slick already has received one, and the balance are scheduled to be delivered this month. It is understood that they are slated to go into MATS contract work, later switching to commercial operations.

In another move, Pan Am has awarded a contract to Lockheed Aircraft Service, Inc., for the conversion of 10 DC-7C passenger planes to airfreighters. The deal includes an option for the conversion of an equal number of similar type aircraft. Payload of a DC-7C cargoplane will be 16 tons on transatlantic flights. Usable cargo area will be 5,253 cubic feet. The plane cruises at 300 miles per hour.

Slick Seeks Return To Common Carriage

Slick Airways, which suspended common carrier operations 20 months ago (*March 1958 AT; Page 28*), has told the Civil Aeronautics Board that it "proposes to be engaged in full-scale common carrier air freight operations by 1960." Indicating that resumption of service will be in "two phases," the all-cargo airline said it would:

- ▶ Use current aircraft types through 1962.
 - ▶ Use new-type cargoplanes, such as the CL-44D and the GL207 *Super Hercules*.
- (Concluded on Page 32)

ALONG THE WAY... OF

TWA

ENGLISH SPINDLES FLY 3,960 MILES

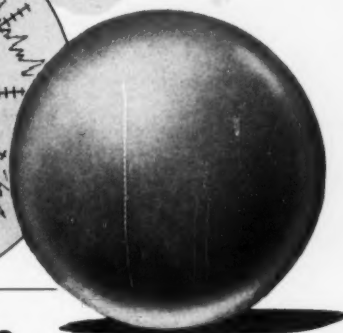
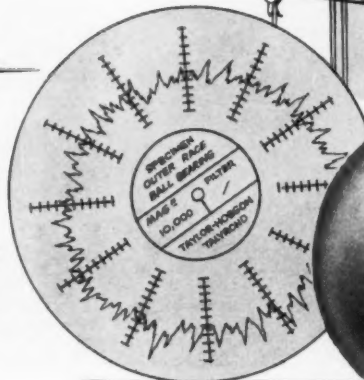
TO MEASURE A MILLIONTH OF AN INCH!

MASTER SPINDLES THAT MAKE **TALYROND®** PRECISION ROUNDNESS MEASURING MACHINES CAPABLE OF DETECTING MINUTE SPHERICAL VARIATIONS, FLY **FAST TWA AIR FREIGHT...OVERNIGHT FROM LONDON TO ENGIS EQUIPMENT COMPANY, CHICAGO.** ANOTHER ENGINEERING FIRM THAT CONSIDERS REGULAR **TWA AIR FREIGHT** CONSIGNMENT "A MUST" FOR CONVENIENT, SAFE HANDLING AND SPEEDY, ON-TIME DELIVERY. AND FOR OVERALL ECONOMY...IN IMPORTING MATERIAL...IN SHIPPING TO ITS OWN CUSTOMERS IN THE UNITED STATES!



HOW ROUND IS ROUND?

ELECTRONIC MEASUREMENT BY THIS INSTRUMENT CAN CHART SPHERICAL IMPERFECTIONS AS SMALL AS .000001 OF AN INCH ON A STEEL BALL!



SERVING WORLD-WIDE MARKETS...
SHIP TWA AIR FREIGHT!

TWA JET FREIGHT—U.S.A.

PURE-JET FREIGHT SERVICE... AT NO INCREASE IN RATES! TWA BOEING 707s, WORLD'S FASTEST AND LARGEST JETLINERS, NOW SERVE MAJOR U.S. BUSINESS CENTERS!



BOOKED INTERNATIONAL AIR FREIGHT

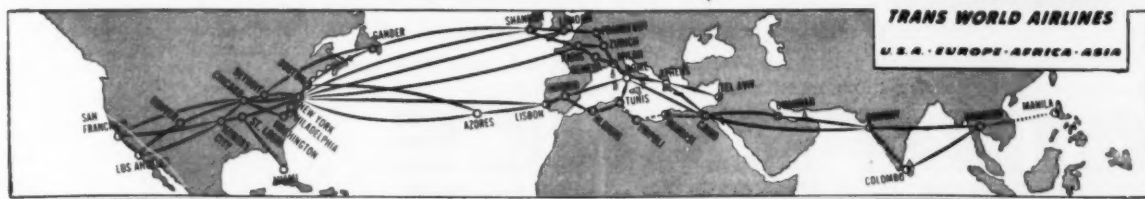
ASSURE FAST DELIVERY BY BOOKING SHIPMENTS ON TWA FLIGHTS...TO EUROPE AND ALL THE WAY TO BANGKOK.

CALL YOUR LOCAL TWA OFFICE OR YOUR FREIGHT FORWARDER.

*All TWA Flights carry Air Mail
and Air Freight. Also - IN THE UNITED STATES - Air Express*

TWA

TRANS WORLD AIRLINES
U.S.A. · EUROPE · AFRICA · ASIA





How to clear a jungle with two lifts!

Here's how they did it in the mountains of the African Cameroons. The first lift, a Clark Yardlift 150, was doggedly moving logs when an alert foreman realized that a lift cylinder would make the job much easier—greatly increase production.

An order was cabled to Clark in Havana and retransmitted by telex to the Clark Central Parts Division at Chicago. Clark called Air France—and the second lift, an Air France airlift, came into action. Thanks to swift Air France cargo service, a Clark lift cylinder was hard at work in the African rain forests 48 hours later. Cargo of all kinds gets special handling—and special speed—on Air France. Air France flies cargo to more cities in more countries than any other airline.

AIR FRANCE

WORLD'S LARGEST AIRLINE

PAGE 8—AIR TRANSPORTATION—Air Commerce

Heavy Increase in North Atlantic Air Shipments

North Atlantic air freight traffic showed a whopping increase for the second quarter of this year, the International Air Transport Association reported at press-time. The carriage of air shipment on this route rose 49.8% over the corresponding period of last year.

The IATA carriers, in the first quarter of this year, produced a 30.3% increase (June 1959 AT; Page 8).

Air freight's record of increase for the April-June period topped all other increases. Mail carryings rose 20%, while passenger traffic rose 12.5%.

Following is an analysis of the April-June freight traffic:

	Eastbound	
	Scheduled Flights	Kilos Flown
April	1,100	1,142,081
May	1,386	1,368,203
June	1,651	1,489,333
Total	4,137	3,999,617

Westbound	
April	1,194,465
May	1,318,414
June	1,217,761
Total	3,730,640

Both Directions	
April	2,198
May	2,781
June	3,270
Total	8,249

	Eastbound	
	Av. Kilos Per Passenger Flight	Av. Kilos Per All-Cargo Flight
April	692.80	4,735.32
May	546.12	5,908.08
June	477.53	7,486.69
Total	609.11	6,062.73

Both Flights 906.79

Westbound	
April	790.08
May	677.92
June	548.84
Total	650.24

Both Flights 907.26

Both Directions	
April	741.51
May	612.25
June	512.78
Total	660.41

Both Flights 937.11

France and U.S. in New Air Transport Agreement

Differences between the French and United States Governments have been ironed out with a "renewal of the 1946 agreement in its existing form subject to certain modifications in the route schedules." In addition to the rights contained in the agreement, French companies have been given these new routes:

- ▶ Transpolar, from France to Los Angeles or San Francisco.
- ▶ France to Anchorage via Hamburg.
- ▶ New Caledonia and Tahiti to Honolulu and Los Angeles or San Francisco.
- ▶ Baltimore added as an additional point on the North Atlantic route.

The State Department said that "American companies, for their part, also retain all rights which they have under the agreement in force and obtain, in addition, the right to serve the Pacific route reciprocal to the new French route . . . as well as the right to stop at both Marseille and Nice on their Route No. 2 to the Far East, and not at only one of those two points as was formerly the case."



James Stewart starring in "Anatomy of a Murder."

"Anatomy of a murder"

*How air freight
cut production*

costs—set

Hollywood record

Shooting site for this best seller was in a remote and inaccessible part of Michigan's Upper Peninsula.

Getting daily "rushes"—unedited film—to Los Angeles for development and back to Ishpeming for producer-director Otto Preminger to edit was a problem. Cast, camera crews and sets would be on costly standby location if scenes had to be re-shot. Also, release date was timed to take advantage of the book's popularity.

Emery had to handle round-trip deliveries between Ishpeming and Hollywood in 48 hours. By combining train, truck and airplane, Emery did it, making 54 shipments between March 23 and May 16 when the film was finished. As a result the picture was released six weeks after shooting was completed—a Hollywood record.

Find out how Emery can help your promotion, distribution or procurement plans. Call today. Offices in all major cities.



EMERY AIR FREIGHT CORPORATION

801 Second Avenue, New York 17, N.Y. • National and International Blue Ribbon Service.



HOME IN 20 HOURS, 30 MINUTES FLAT!

Now you can ship 'most any kind of cargo to Australia nearly *twice* as fast as ever before! That's because Qantas (and only Qantas) flies the Pacific via mighty 707 Jet. And all it takes is 20½ lickety-split hours. (Piston-type planes chug along for nearly a day and a half.)

Want facts? Or space? Call Qantas or your cargo agent—and we'll jump!

P.S. Our Jets leap to London, too.



New York, San Francisco, Los Angeles, Honolulu, Vancouver (Also BOAC, general sales agents, in New York, Chicago, Washington, Detroit, Miami, Dallas, Philadelphia, Winnipeg, Montreal, Toronto)

PAGE 10—AIR TRANSPORTATION—Air Commerce

27 Air Carriers Bid For Record MATS Contracts

Twenty-seven airlines have entered bids to the Military Air Transport Service to fly 288,600 passengers, 10,320 tons of cargo, and 6,144 tons of passengers and/or cargo during a 12-month period starting October 1. The passengers and cargo will be moved in the Atlantic, Pacific, and Alaskan areas, Lieut. Gen. William H. Tunner, MATS commander, said.

EAL Embargo on Cut Flowers to Be Lifted

Imposed nine years ago as a result of the transfer to the United States Navy of four DC-4 airfreighters for the Korean Air-lift, Eastern Air Lines will raise its embargo on cut flower shipments within the continental United States and Canada. Effective date is October 15. William L. Morrisette, Jr., vice president-sales and traffic, said that "the lack of available facilities for proper handling of these commodities aboard aircraft designed primarily for passenger transportation," has been erased by EAL's acquisition of new piston- and jet-powered aircraft, "all of which are equipped with pressurized and temperature-controlled cargo compartments."

German Official Views Air Union Optimistically

Addressing a press conference in Bonn, West Germany's Minister of Traffic, Dr. Seeborn, asserted that the four European air carriers participating in Air Union (July 1959 4T; Page 4) have as their objective a total of 2.4 billion ton-kilometers per year. Indicating that Lufthansa's share of this quota is 720 ton-kilometers, the official said that only great effort will bring about this expansion.

Participation in Air Union is on the following basis: Air France, 34%; Lufthansa, 30%; Alitalia, 26%; Sabena, 10%.

Dr. Seeborn pointed out that Air Union will have "a bearing on the basic free air traffic policy" of West Germany. He stated that "future intergovernmental air traffic agreements will have to take the interests of the home countries of other participating carriers into consideration, in addition to those of the German Federal Republic."

Air India Coming

According to word from abroad, Air India International is planning to inaugurate a scheduled weekly service between London and New York. Opening date has not been fixed, but it will not be later than sometime in 1961, the report stated.

Britain, Israel Agree

As the result of an agreement between the British and Israeli Governments, El Al will be given permanent right to operate a third flight each week via London on its North Atlantic run to New York, and British European Airways will be authorized to stop at Athens on its London-Tel Aviv route.

SEND IN THIS CARD TO SEE HOW

KLM CAN CUT YOUR CARGO COSTS

See for yourself how special
KLM cargo rates can save
your shipping dollars.



Send in the at-
tached card
for complete
details today!

KLM Royal Dutch Airlines
609 Fifth Avenue, New York
New York

40 YEARS





HOME IN 20 HOURS, 30 MINUTES FLAT!

Now you can ship 'most any kind of cargo to Australia nearly *twice* as fast as ever before! That's because Qantas (and only Qantas) flies the Pacific via mighty 707 Jet. And all it takes is 20½ lickety-split hours. (Piston-type planes chug along for nearly a day and a half.)

Want facts? Or space? Call Qantas or your cargo agent—and we'll jump!

P.S. Our Jets leap to London, too.



New York, San Francisco, Los Angeles, Honolulu, Vancouver (Also BOAC, general sales agents, in New York, Chicago, Washington, Detroit, Miami, Dallas, Philadelphia, Winnipeg, Montreal, Toronto)

PAGE 10—AIR TRANSPORTATION—*Air Commerce*

27 Air Carriers Bid For Record MATS Contracts

Twenty-seven airlines have entered bids to the Military Air Transport Service to fly 288,600 passengers, 10,320 tons of cargo, and 6,144 tons of passengers and/or cargo during a 12-month period starting October 1. The passengers and cargo will be moved in the Atlantic, Pacific, and Alaskan areas, Lieut. Gen. William H. Tunner, MATS commander, said.

EAL Embargo on Cut Flowers to Be Lifted

Imposed nine years ago as a result of the transfer to the United States Navy of four DC-4 airfreighters for the Korean Air-lift, Eastern Air Lines will raise its embargo on cut flower shipments within the continental United States and Canada. Effective date is October 15. William L. Morrisette, Jr., vice president-sales and traffic, said that "the lack of available facilities for proper handling of these commodities aboard aircraft designed primarily for passenger transportation," has been erased by EAL's acquisition of new piston- and jet-powered aircraft, "all of which are equipped with pressurized and temperature-controlled cargo compartments."

German Official Views

Air Union Optimistically

Addressing a press conference in Bonn, West Germany's Minister of Traffic, Dr. Seelohm, asserted that the four European air carriers participating in Air Union (July 1959 AT; Page 4) have as their objective a total of 2.4 billion ton-kilometers per year. Indicating that Luft-hansa's share of this quota is 720 ton-kilometers, the official said that only great effort will bring about this expansion.

Participation in Air Union is on the following basis: Air France, 34%; Luft-hansa, 30%; Alitalia, 26%; Sabena, 10%.

Dr. Seelohm pointed out that Air Union will have "a bearing on the basic free air traffic policy" of West Germany. He stated that "future intergovernmental air traffic agreements will have to take the interests of the home countries of other participating carriers into consideration, in addition to those of the German Federal Republic."

Air India Coming

According to word from abroad, Air India International is planning to inaugurate a scheduled weekly service between London and New York. Opening date has not been fixed, but it will not be later than sometime in 1961, the report stated.

Britain, Israel Agree

As the result of an agreement between the British and Israeli Governments, El Al will be given permanent right to operate a third flight each week via London on its North Atlantic run to New York, and British European Airways will be authorized to stop at Athens on its London-Tel Aviv route.

SEND IN THIS CARD TO SEE HOW

FIRST CLASS
PERMIT NO. 50374
NEW YORK, N. Y.



BUSINESS REPLY MAIL

NO POSTAGE STAMP NECESSARY IF MAILED IN THE UNITED STATES

POSTAGE WILL BE PAID BY
KLM ROYAL DUTCH AIRLINES
FREIGHT DEPT.
609 FIFTH AVENUE
NEW YORK 17, N. Y.

NAME.....
POSITION.....
COMPANY.....
ADDRESS.....
TELEPHONE NUMBER.....
CITY..... ZONE..... STATE.....

See for yourself how special
KLM cargo rates can save
your shipping dollars.
Send in the at-
tached card
for complete
details today!

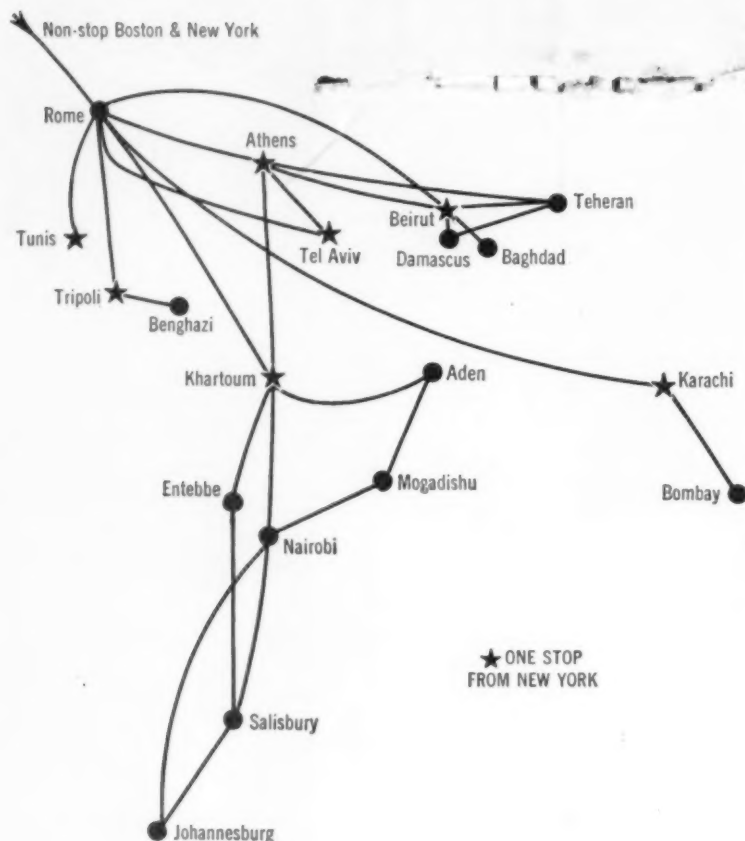


KLM Royal Dutch Airlines
609 Fifth Avenue, New York,
New York

40 YEARS



ONE-CARRIER FREIGHT SERVICE TO AFRICA, MIDEAST, FAR EAST!



One-carrier, one waybill provides you with simplicity of documentation, reduced handling, transfers and costs. Above all, experience and on-the-spot knowledge enables Alitalia to better serve you. This chart shows only a segment of Alitalia's expansive routes.

ALITALIA

AIRLINES



For flight schedules and maps showing other cities served by Alitalia flights, contact your Freight Forwarder or local Alitalia office. Or write Alitalia Airfreight, 666 Fifth Avenue, New York 19, N. Y.

PAGE 12—AIR TRANSPORTATION—*Air Commerce*

From The Readers

We enjoy the many interesting articles in your magazine.

P. H. McMaster
Traffic Manager
Great Western Sugar Co.
Denver, Colo.

Your publication is most informative. I enjoy reading it.

Harold L. Mersereau
Traffic Manager
Fisher Governor Co.
Marshalltown, Iowa

I enjoy reading *Air Transportation*. It gives me many helpful hints.

Charles Minnic
Traffic Manager
National Tea Co.
Chicago, Ill.

Mr. Cunningham's article on air freight claims was very informative. . . . Your magazine is very well presented and high on my personal list.

George Leverin
New York, N. Y.

The article referred to by Mr. Leverin is *Air Freight Claims and Insurance*, by Ward Cunningham, published in the July issue.—Editor.

. . . A very informative publication.

Edwin F. Progin
General Traffic Manager
Charlton Co., Inc.
Fitchburg, Mass.

We enjoy your magazine very much.

E. J. Hingle
Procurement Manager
Brand Dispatching Co.
New Orleans, La.

Your magazine is of real importance and set up well.

O. E. Robinson
Eastern Traffic Manager
Ralston Purina Co.
St. Louis, Mo.

May I add my congratulations to the many you no doubt have already received on the excellent article by Richard Malkin on Lufthansa. It is always a pleasure to see such fine reporting in your magazine.

Robert Heggen
Miami, Fla.

. . . Your articles are most helpful.

W. M. Badger
Purchasing Agent
General Electric Co.
Lynn, Mass.

. . . . A fine publication.

Ernest G. Smart
Traffic Manager
Radiators Specialty Co.
Charlotte, N. C.



*Reach for the Sky
with Riddle!*

How the **SWITCH** to **RIDDLE** **Saves Money!**

The switch to Riddle Air Cargo pays off where it counts... in dollars and cents.

Take crating. It costs money three ways—in materials, in man-hours, and in excess shipping weight. Ship RIDDLE and crating is unnecessary. Expert loading and cargo handling protect even the most fragile shipments.

Insurance costs are lower, too, because pilferage and in-transit damage are virtually non-existent.

Couple these basic air cargo advantages with the all-cargo priority handling RIDDLE AIRLINES offers, and you'll know why more and more progressive shippers have made the SWITCH TO RIDDLE!

*Nation's Largest
North-South
All-Cargo
Airline*



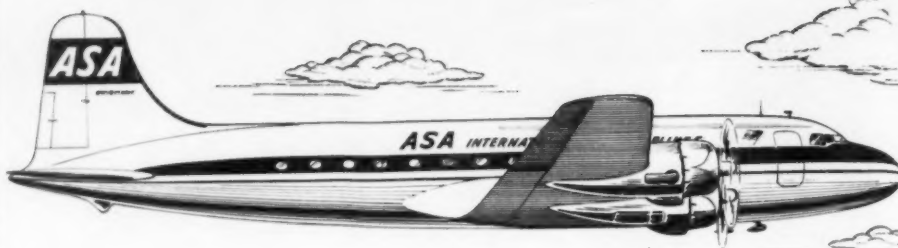
Executive Offices, International Airport, Miami, Florida, Phone TU 7-2651 • NEW YORK, 511 Fifth Ave., Phone OXford 7-5360
U.S. Scheduled Air Cargo Route 109 and 120 WORLD-WIDE INTERLINE CONNECTIONS

**DIRECT
Service to:**

Havana
Belize
Guatemala City
San Salvador
Panama
Bogota
Quito
Guayaquil

**U.S. scheduled
All-Cargo Airline**

Connecting service
to all other points
in Central and
South America.



In Latin America IT'S ASA PREFERRED !

Today's Latin American businessman is fast-moving and aggressive. He demands speed and service. That's why he prefers ASA. Investigate and next time you'll say, "Ship it ASA." See your freight forwarder or call the ASA office nearest you.



Your Freightway to Latin America !

GENERAL OFFICE: International Airport, St. Petersburg, Florida, Ph.: HEmlock 5-2151
NEW YORK OFFICE: 30 Church St., New York 7, N. Y., Ph.: WOrth 4-2357
CHICAGO OFFICE: 608 S. Dearborn, Chicago, Illinois, Ph.: WABash 2-0081
WASHINGTON, D.C. OFFICE: 1029 Vermont Ave., N.W., Rm. 703, Ph.: EX 3-0711

WHY WAIT!

When you can move your transatlantic air cargo faster, more efficiently on Seaboard's Super Constellation AIRTRADERS Mail and Cargo Flights **AROUND THE CLOCK** to Europe with connections to East and Far East

Call your FREIGHT FORWARDER or
SEABOARD & WESTERN AIRLINES

Largest All-Cargo Transatlantic Airline

Idlewild International Airport, Jamaica 30, N. Y.—FAculty 2-8900

Atlanta
Chicago
Dallas
Los Angeles
New York (80 Broad St.)
Philadelphia
San Antonio
San Francisco
Washington, D.C.

POplar 7-0573
Harrison 7-4425
Fleetwood 7-9221
Madison 4-7514
Whitehall 3-1500
Rittenhouse 6-1145
Taylor 4-7236
Plaza 6-1243
REpublic 7-1430



SEABOARD & WESTERN

**ALL-CARGO
TRANSATLANTIC
AIRLINE**

NOW! WEEKLY ALL-CARGO FLIGHTS TO JAPAN



NEW GUARANTEED SPACE VIA JAL COURIER CARGO

Now Japan Air Lines brings you big-door, big-lift ALL-CARGO Courier service between the U.S. and Japan. Weekly departures from San Francisco at 5 p.m. every Saturday...from Tokyo at 8 p.m. every Thursday. Reserve space in advance and guarantee on-time delivery for even the biggest cargo (doors

will admit large crates through 95" x 67" opening!).

All-cargo flights are in addition to regular daily JAL Courier Cargo service across the Pacific. And, don't forget, now you can ship C.O.D. to Japan on JAL. Be sure, ship JAL Courier Cargo. Call your cargo agent or nearest Japan Air Lines office now.

Chicago: AN 3-1384 • Cleveland: CH 1-4331

Honolulu: 5-0955 • Los Angeles: MA 7-0405

New York: JU 6-7400 or OL 6-8364/5

San Francisco: JU 3-3610 • Seattle: MA 4-8550

Washington, D.C.: ME 8-2315

JAPAN AIR LINES
U. S. TO JAPAN AND THE ORIENT

JAL
COURIER CARGO

SEPTEMBER 1959—PAGE 15

PUBLISHER'S LETTER

FEDERAL AVIATION ADMINISTRATOR ELWOOD R. QUESADA has proposed a loan guarantee program whose single purpose is to accelerate the development of a national airfreighter fleet. According to what we hear from the nation's capital, the proposal—a sweeping one, to be sure, and long overdue—is attracting some Congressional backing.

What would Mr. Quesada's proposal achieve?

It would, first of all, lend funds to the airlines with which to invest in the purchase of modern cargo aircraft. Modernization of cargo fleets will reduce costs and lead the way to lower rates to commercial shippers. This, in turn, is expected to generate another mushrooming of domestic and international air cargo traffic, tapping a greater proportion of the markets.

Secondly, it would give the United States Air Force a vast reserve airlift which, in the event of a national emergency (the threat of another blockade of Berlin still exists, and the situation in Laos does not look exceedingly healthy), can effect the instant switch from commercial to military transport.

The Government would not be required to hand out the loans to the commercial air carriers. Rather, Mr. Quesada would have it in the role of a guarantor. After an airline put up in cash a minimum of 25% of the purchase price, the Government would stand behind the balance of 75%. If the airline defaulted, Uncle Sam would pay.

What is the alternative to Mr. Quesada's proposal? We will be faced with the expensive task of modernizing the globe-girdling fleet of the Military Air Transport Service. And it will be the taxpayer who will foot the bill.

We have no way of knowing what ultimately will happen to Mr. Quesada's proposal. Has enough dark history passed during this postwar period to have made those who control the whims of Congress recognize the urgency in the plan? This writer, who for the past dozen years or so has consistently proposed the building of a second-to-none Merchant Marine of the Air (and who has been called a wild visionary for it), cannot help but harbor certain doubts with respect to the alacrity with which it is hoped Congress will react to the idea.

There has been a Berlin Airlift and a Korean Airlift; there has been that nasty business at Dienbienphu, and more recently there was that scare in Lebanon. With all these lessons, the Merchant Marine of the Air idea has not caught on with the wheels in Congress.

Remember the Air Policy Commission of President Truman? Among its recommendations more than 11 years ago was this (*February, 1948 Air Transportation; Page 8*):

"The soundest way to build up a pool of cargoplanes for an emergency is to develop a cargo plane that can operate on a profitable basis. We are recommending the creation of an Aircraft Development Corporation whose initial and primary task could be the development of an all-cargo transport airplane. Such a plane would, of course, have to be useful to the military; but it should be designed primarily with a view to economic commercial operation."

Well—as the FAA Administrator's words indicate—a small minority is still talking about placing a Government-sponsored cargo plane into the hands of civil operators.

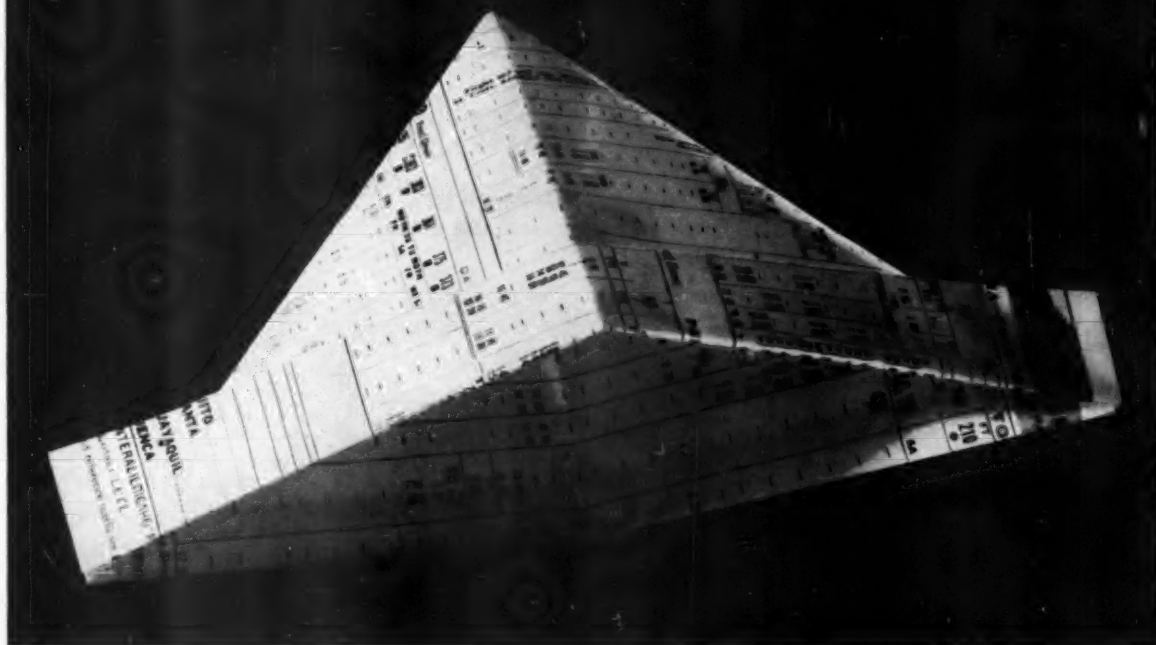
After all the intervening years, after all the miles of recorded testimony, it should by now be unquestionably clear that our Merchant Marine of the Air is long overdue. We are already deep into the era of jets and propjets, and close to sonic transport speeds. The world air transport system is working at a new, more feverish tempo.

If the airlines of the United States represent our reserve air transport system for any national emergency, then certainly we will be begging our own security if we are denied the tools which modern technology has put into our hands today.

Merchant Marine of the Air is not a publicist's catchphrase. It is a vital objective—the total development of an industry on whose relative strength or weakness an all-out military logistics system, in time of need, will successfully nourish, or starve.

John T. Budd

Now every other cargo schedule is old hat!



New Pan Am Jets cut world-wide delivery time 40%!

Pan Am tops 'em again! Now with new time-slashing Jets! Jets that suddenly bring almost every major city in the world within 12 hours of the U. S. A.

For instance:

Caracas from New York now 4½ hrs.
Paris from New York now 8½ hrs.
Honolulu from San Francisco . . now 5 hrs.
London from Los Angeles . . . now 11½ hrs.

electronically checked reservations to doorstep pick-up and delivery, your goods are in the hands of the most careful and *experienced* men in the business.) No wonder Pan Am carries nearly twice as much international air cargo as any other carrier!

Take advantage of Pan Am's faster, better service now. Call your cargo agent, freight forwarder or Pan Am direct. Get your shipment *aboard today* — *abroad tomorrow!*

SHRINKING THE WORLD TO EXPAND YOUR MARKETS

And Pan Am Jet Clipper* Cargo gives you these exclusives, too:

MORE SPACE (10,000 pounds capacity with every new Jet plane!) • MORE JETS • MORE FLIGHTS • MORE SHIPPING POINTS FROM THE U. S. • MORE SERVICE (From

World's most experienced airline



**PAN AM
JET
CLIPPER
CARGO**



*Trade Mark, Reg. U. S. Pat. Off.

Among the key figures addressing the recent Fifth Air Freight Cartage Conference in Chicago were the personalities featured on these two facing pages. One is concerned with the ground service portion of air freight; the other, with regulation of the

On the Brink of the Cargo Age

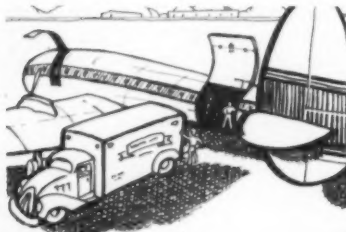
By EMERY F. JOHNSON

President, Air Cargo, Inc.

PICK-UP and delivery does not come in a can or in a cellophane bag. You cannot sell it off a shelf. It is a service and not a product. It has no elastic demand, and it cannot stand alone. The need for it is created solely by the need for air freight itself.

Did you ever stop to think of how ridiculous our air freight cartage activities would look standing alone, with no airlines interested in them, with no air freight users among the shipping public to require them? What a hell of a way this would be to "run a railroad."

That, incidentally, is an interesting



saying frequently used in transportation circles which goes back to the Civil War, at which time it was created by one Artemus Ward, who was the Joseph Alsop and Drew Pearson of his day. The saying came from a statement Ward made in an article in *The New York Herald*. It has since been often used by many people without their recognizing the source.

In writing about the management of the railroads in the hands of the North which traversed the Eastern United States in a North-South direction, Ward was most upset about the fact that any commander, irrespective of his rank,



Johnson

who wanted rolling stock for his own particular purposes just helped himself. He, accordingly, wrote his article with the subtitle, *What a Hell of a Way to Run a Railroad!* to point out the mismanagement of a very necessary logistics device.

What a hell of a way it would be to run our cartage operation—without air freight—so by all means we must take stock of what has happened to it, as a service to the shipping public.

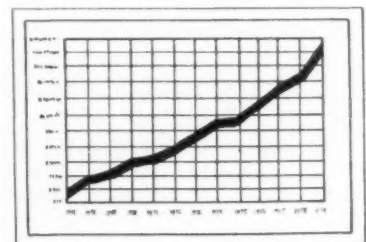
Five years ago, in 1954, the airlines collectively accepted 2,235,779 United States domestic air freight shipments from the public. The present pace for 1959 seems almost too good to be true, yet it will doubtless continue to be maintained in our present booming economy. Should this be so, a forecast for 1959, based upon actual experience during the past six months, would indicate the airlines should be handling slightly more than 4½ million shipments during the current full calendar year. This would be an increase of almost 102% and provide a most respectable expanded base within which air freight cartage might flourish and grow.

Five years ago air freight grossed \$47,485,000 from the public for the airlines, accounting for 4½% of their total revenue for that year. Now, and again by extending the immediately

past six months to an expanded total for the full year, it would appear we might anticipate a gross of almost \$97 million from current shippers and receivers, representing more than 5% of the industry's total revenues. In short, the dollars have also doubled. Their increase is almost 104%.

Should we have any grounds for feeling that cartage service has become accepted, it also seems abundantly clear that air freight itself has been, and is being increasingly accepted by the public at large. The record is good. Frequently we may hear criticism of the scarcity and lack of desire, efforts, and dollars to sell air freight, but I'll take my hat off to anyone who doubles his business in any five-year period and want our airline friends to know this.

Among other things, they have done a remarkable job of merchandising their concept of *total* distribution, which, curiously, I find may be at least



100 years old. The basic cost philosophy of transporting goods in the Air Age was well expressed in 1844 by the French engineer and economist Du-puit. He wrote the following:

"The ultimate purpose of a means of transportation ought not to be to re-

(Continued on Page 22)

entire industry. In these edited versions of their addresses, both experts speak of an air-freight "breakthrough." But each man has his own special emphasis with respect to that long looked-for day of maturity. What they have to say merits close reading.

Freer Competition in Air Cargo

By LOUIS J. HECTOR

Member, Civil Aeronautics Board

IF I may venture a point of view right at the start, it would be this: the customer—the man on whom the airlines and cartage men depend on for revenues—does not think of them as two groups operating two separate businesses. He does not divide the carriage of his cargo into three separate stages. He views it as one continuous transaction: a speedy mode of transportation from his place of business to the place of business of his customer. He never sees the airplane. It most cases he never even sees the truck. All he knows is that a piece of freight leaves his building at a certain time and arrives at its destination at a certain time, and that for this he pays a certain price. He doesn't really care what goes on in between, so long as his shipment arrives on time and in good order.

I believe we are on the verge of a great breakthrough in air cargo. But people have been saying that for 10 or 15 years now, and we're still on the verge. While I am not superstitious, I



think that if we stop saying it for a while, perhaps it will occur.

We must be candid about this. Unlike the passenger field where everyone—carriers and regulators alike—have been amazed year after year to see our most optimistic forecasts exceeded by



Hector

actual results, the cargo field has proved a disappointment to all of us ever since World War II. It has grown; it has become more sophisticated; its services are more flexible and varied; it is a mature, well-planned business operation; but it has not yet reached the mass market which all of us have anticipated for so long.

But in spite of this, we have all remained as optimistic as ever. As an airline executive said to me when I first came on the Board:

"You've got to be an optimist to be in this business; the pessimists all got out 20 years ago."

What are the bases today for continued optimism about air cargo?

First, it seems to me that the general state of the economy is very favorable for the particular advantages of air cargo. We are in a period of great prosperity and tight money. Many businesses need more extensive chains of distribution. Their volume is growing; their trade areas are expanding. Under normal circumstances this would be a period of regional inventory build-ups and warehouse construction, as indeed it is in many lines of business. But this is often accomplished with difficulty in a time of tight money and high interest rates.

Now what have you got to offer the

businessman? Something far more important than speed. For many lines of business, you can offer nationwide distribution from a single plant facility. You can show a manufacturer how he can penetrate new and distant markets without building costly new warehouses and tying up cash in large regional inventories. In a very real sense you are selling the businessman a scheme of operations whereby he can do a greater volume of business without the increase in capital which he would require if he had to rely on conventional modes of transportation and conventional systems of distribution.

Second, it seems to me that the sales



effort on air cargo is just beginning to take hold. The idea of air freight as a substitute for warehouses and inventories is a very sophisticated one. It has to overcome great resistance from those who think of business operations in traditional terms. It has to overcome the standard departmentalization of sales, finance, warehousing, and transportation into separate corporate pigeon-holes. But the job is being done. I have heard a lot of good, hard realistic business sense talked by people in the air cargo field in the last two years. And I think this is at last

(Continued on Page 24)

A Major Cost Study

The families of three auto manufacturing executives (each family consisted of six persons) and their household goods, plus the effects of two additional executives (one with a wife), and the clothing of still another, were destined to be transported from Detroit, Michigan to Amsterdam, Holland

BY SURFACE



1. The shipment, unpacked, weighed 17,800 lbs. Gross weight of the shipment packed for surface movement was substantially higher—23,760 lbs.



2. Preliminary preparation of the shipment amounted to \$568; overseas packing and crating, including pickup and delivery to rail siding @ \$10 per 100 lbs., \$2,376; inland freight to New York @ \$3.25 per 100 lbs., \$772.20. All this made a total of \$3,716.20.

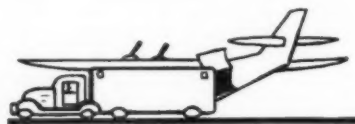


3. The ocean freight bill, New York to Rotterdam @ \$1.30 per cubic foot was \$3,088.80. This brought surface charges to a total of \$6,805.

BY AIR



1. Gross weight of the same shipment packed for airlift was 19,800 lbs.—lighter by two tons.



2. Cost of preliminary preparation was the same as for surface. Pickup and delivery to warehouse by North American Van Lines @ \$1.50 per 100 lbs., Air Van Pak @ \$3.75 per 100 lbs., and delivery to Detroit airport @ \$2.15 per 100 lbs., totaled \$1,863.51. Up to this point, air showed savings of \$1,852.69.

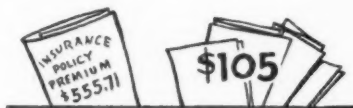


3. Swissair's charter plane charge was \$8,925, lifting the air total to \$10,788.51. Now the shoe was on the other foot—at this stage, air was \$3,983.51 costlier.

Proves a Big Point

and Geneva, Switzerland. The firm was faced with this problem: which form of movement, surface or air, was more economical? The traffic department of its Overseas Division, with the assistance of Swissair, came up with this revealing cost comparison. The result? Planeload after planeload.

BY SURFACE



4. But there was a matter of insurance @ \$1.50 per \$100 (\$555.71) and documentation (\$105). Surface charges now totaled \$7,465.71.



5. Trucking to the separate domiciles brought a \$748.76 bill, raising total surface transportation charges to \$8,214.47.

BY AIR



4. Air freight insurance was considerably cheaper—\$97.25. And there were no documentation costs! Total air charges now were \$10,885.76.



5. Swissair's direct shipment and lighter shipping weight were reflected in the lower trucking charges of \$577.86. Total air transportation bill was \$11,463.62—more expensive by a margin of \$3,249.15.

BUT THE AUTO MANUFACTURER CHOSE AIR FREIGHT OVER SURFACE FREIGHT. WHY?



6. Because had the surface shipment moved by rail, ship, and truck (four weeks to Rotterdam; five weeks to Geneva), it would have cost the firm \$7,625 in subsistence costs for its executives and their families. Total cash outlay for the all-surface operation would have been \$15,839.47.

6. Because the air operation, from packing to overseas doorstep delivery, took only seven days, subsistence costs for the same 21 persons were slashed to \$1,730. Suddenly there was a plus factor for air, with an all-over total of \$13,193.62. How much did this economy-conscious firm save?—\$2,645.85.



SAS
AIR CARGO

SAS
SERVES MORE
CITIES IN
EUROPE
than any other
transatlantic airline

★

ZURICH • HAMBURG
COPENHAGEN • ROME
ALL EUROPE
NEAR EAST
ASIA • AFRICA

Daily departures.
DC-7C speed.
100% cargo control.

Call your agent or **SAS**

FIRST OVER THE POLE

SAS
SCANDINAVIAN
AIRLINES SYSTEM

638 Fifth Avenue, New York 20, N. Y.

ON THE BRINK

(Continued from Page 18)

duce the expenses of transportation but to reduce the expense of production."

In the airlines' application, they, of course, enlarge the scope of expense to include cost not only in the tangibles of resources, manpower and money, but also cost in time, a priceless factor. This whole concept is spreading like wildfire today, and the airlines are to be commended for that.

Within this expanded total air freight market let us now look at cartage alone for our five-year evaluation of what happened to it in the past. In doing so we find the total number of shipments picked up and delivered in 1954 was 1,029,366. This was the base when the first of these annual Air Freight Cartage Conferences convened. (Editor's Note: Five years ago Air Cargo, Inc. had 230 cartage contractors; today there are more than 300.)

"Gratifying Growth"

Today—and again drawing upon actual experience through June to project a full year's performance—I find we may well anticipate substantially more than two million pickup and delivery shipments in the current year. This is a gratifying growth to take stock of, because it will represent an increase of more than 106% or 5% more than the rate of growth of air freight shipments themselves. In achieving this increase we find everything is growing—including even the weight of the average cartage shipment, the total of which will collectively amount to a fairly respectable 610 million pounds of traffic in 1959.

Then we can conclude this particular statistical portion of our stock-taking by looking at the dollars paid to pick-up and delivery contractors for the services performed by all of them. Five years ago such payments amounted to \$1,645,858. At the pace already established for 1959, we now find these payments may well amount to more than 4¼ million dollars for the year, and, as a matter of fact, we now are internally estimating that they will total \$4,350,213.

This is a lot of pickup and delivery business. This is also the largest percentage increase of any I have related and would amount to a whopping 164%. Why should this be greater than any other? There are three reasons.

► We must acknowledge that the total costs of performing local cartage have inevitably increased. They are no different than the increased costs of gasoline, trucks or drivers.

► We must recognize that heavier weights do serve arithmetically to increase the average cost per shipment somewhat.

► Most important, we must realize that we have increasingly asked for and given a greater measure of service to the public than ever before; and, to concede that this, in turn, does cost money even when coupled with increasing volume.

This increased emphasis upon service—even though at some cost—and the results it has accumulated for us, is, to my way of thinking, the most important aspect we can find in taking stock of the past five years. Without it we would not have survived, let alone grown at a rate more than that of air freight handled by the airlines themselves.

There is an old truism in business to the effect that you compete—or drop out. Any warm glow we may feel because we are useful and wanted; or any pride taken in doubling our cartage business in the past five years, would be totally absent today, had we not consistently improved our service within the same period. This we did. We competed.

Other Changes

Of course, there have been other changes. Five years ago the cost of carrier liability insurance was higher than it is today. Five years ago the president of Air Cargo, Inc., was Admiral Emory S. Land. Five years ago no airline had any obligation to give any traffic to any contractor. Five years ago the Contractors Advisory Board was not in existence. The list is long. Many changes of substance have come to pass, however the ones of true significance are those which involve improvements in the level of our cartage service.

Then, we had telephone "cut-off" times as an accepted fact. Now we do not. Then, a single daily pickup and a single daily delivery were matters of routine. Now they are thankfully not. Today we have contractors who pick up more traffic after dark than during the day; who periodically "sweep" extensive areas every few hours; who haunt our airport premises, who give special handling to every shipment, and who literally keep us upon our toes trying to stay ahead of them. We have actually established a completely new concept and level of service in the local cartage field.

This is what air freight needs. This is what helped make it grow.

Before leaving the past, let me quickly note a man-sized job which Air Cargo, Inc., has cut out for itself:

We continually encounter new prac-

tices on the part of individual contractor and airline groups which result in substantial service improvements. Our particular job is to readily recognize such practices and thereafter take the lead in implementing them elsewhere. They must be extended to all cities. In effect, they must be interchangeable.

Now, what about the next five years? Let us take stock of their future.

My first forecast for this coming period is that we had better fasten our seat belts and hold on to our hats. We are collectively poised upon the brink of an era which gives promise of stealing the stage from the Jet Age. I refer to the Cargo Age.

We are sitting upon a powder keg—and the fuse is lit. This whole business of air freight is going to become so big there are few among us who yet grasp or visualize its potential dimensions. When we take stock of the next five years, we find we will be so well entered into this newest of eras that air freight will have already increased to four or five times its present size. This will happen by 1964, and the key to make it possible is the turbine engine, together with the aircraft it allows.

There is a regular family of turbine engines—of which the jet is but one.

Reading from left to right, the family's most readily distinguishable members, in my terminology, would be the turbo-prop; the turbo-fan; and, the turbo-jet. Each has a particular application within which it will do wonders for both performance and costs.

Performance Record

All of the turbine-powered aircraft now appearing upon the horizon can lift greater payloads; move them faster, and do so at lower costs per ton-mile than any aircraft we have known to date. Piston-engined aircraft eat up direct operating costs of 7½¢ to 10¢ per ton-mile. Turbine airplanes, which will provide twice the capacity, will move freight at direct costs of 4¢ to 5¢ per ton-mile and still do so at speeds approximately twice those of today. Turbine aircraft will enable airlines to operate profitably with 70% load factors at rates to the public which may become as low as 10¢ to 12¢ per ton-mile; and because these ton-miles are performed as the crow flies, such rates will, actually compare with those of 7¢ and 8¢ per ton-mile charged by surface carriers. Air freight will thus become directly competitive with surface for much of the first-class traffic moving over substantial distances.

This wonderful turbine engine can do another thing as its contribution to the Cargo Age. It can actually make it more profitable to haul freight than passengers with a given aircraft. This fact may well change the perspective and emphasis of many. The story is simply this:

The capacity of an airplane is limited by both space and lift. Today's piston-engined airplanes can earn 50% more from hauling passengers than from freight. Tomorrow's turbine-powered transports will be able to carry more of both classes of traffic, but, because of space limitations, may only carry three times as many passengers, yet offering the ability to lift five times the weight of cargo. The advantage becomes with cargo.

We are all generally aware of the magnitude of the total freight market. We realize it represents billions of dollars annually but perhaps can best relate it in some of our thinking by stopping to realize that the total dollars spent for passenger travel are less than 5% of those spent for the movement of freight. Now, for example, it appears we will be able to cut heavily into the motor freight business for all premium-rated traffic moving over 500 or 600 miles. If we capture but a small percentage of this total market,

Fastest freight service across Canada...



CANADIAN PACIFIC JET-PROP BRITANNIA



This 90 ton jet-prop aircraft flies at 400-plus miles per hour with capacity for 8,000 lbs. of cargo on every flight. Fastest daily service across Canada between Montreal, Toronto, Winnipeg and Vancouver. Canadian Pacific Britannia flights across Canada are your fastest, and most direct method of delivering your shipments.

Connections to the Orient by jet-prop — C.P.A.'s fast, jet-prop Britannia speeds your freight from Vancouver to Tokyo — and Hong Kong via the shorter North Pacific route.

TO THE SOUTH PACIFIC

Fast, regular C.P.A. flights leave Vancouver for the Fiji Islands, Australia and New Zealand. In all cases the one carrier is used, speeding your shipments straight to the point.

TO EUROPE VIA THE POLAR OR SOUTHERN ROUTES

C.P.A. Polar Route flights are fast, in either direction between Europe and Vancouver. The Southern Route from Montreal serves Lisbon and Madrid.

For full schedule information, consult your Cargo Agent or any Canadian Pacific office.

Canadian Pacific AIRLINES 

WINGS OF THE WORLD'S GREATEST TRAVEL SYSTEM

ship to **VENEZUELA, Jamaica and Netherlands West Indies**
FROM NEW YORK, CHICAGO and MIAMI via Latin Amer-
ica's largest all cargo carrier—RANSA AIRLINES



- scheduled flights several times daily!
- largest fleet of cargo planes serving Venezuela.
- all service expedited service!
- largest personnel staff fully trained in cargo handling.

- most complete receiving and terminal facilities.
- Write, call, wire for full information on how to save time on your Venezuelan shipments!

RANSA AIRLINES



Certificated and Scheduled Air Cargo Carrier

NEW YORK
 30 Church St.
 New York 7, N. Y.
 WO 4-6485

CHICAGO
 3315 W. 63rd St.
 Chicago, Ill.
 LU 2-7444

MIAMI
 P. O. Box 625
 Miami International Airport
 TU 8-6743

our growth potential becomes rather fabulous to contemplate. Our increases may actually be handicapped most by our own lack of ability to properly absorb and handle the traffic which will be available to us.

What to Expect

By late 1960 the first turbine-powered aircraft will appear upon the scene. Some of these have already been ordered. Others are in the incubation stage.

The aircraft are surely coming, and by the end of our next five-year period we can, therefore, expect rates to the public at least in the 12-15¢ category. Assuming we overcome our own difficulties, which, among other things, will involve the financing of aircraft, the construction of adequate terminal facilities, and, the development of integrated materiel-handling systems, our annual air freight volume should, therefore, be between four or five billion ton-miles. This is the increase I have mentioned. It is one which will make our respectable performance of the past five years look pale indeed. We are on the brink of a major breakthrough. At this time I would not venture to forecast where we may go thereafter.

Actually, we cannot wait until 1964 to speed up our pace. We shall have no breathing spell. A number of transitional aircraft are already upon us. While most of these will be piston-engined, and, therefore, uneconomical by future standards, they will, never-

theless, be in cargo service at early dates and in rather substantial numbers.

What I have said so far has related only to air freight as a shipping service to the public and not what may happen to the cartage portion of it. Just as the growth of air freight during the past five years determined the size of the arena for the expansion of pickup and delivery in the past, so was it necessary to first look at the total picture for the next five years prior to making any assessments of future pickup and delivery volume.

Cartage Future

Assuming then that total volume will jump from four to five times, the question becomes: What will happen to cartage? I don't know. It may grow as much. It may not. In trying to determine any answer to this, I find we are, apparently, faced with at least three unusual circumstances yet to be resolved. These are:

► While air freight ton-miles carried by the airlines may increase by the amounts mentioned, the number of individual shipments requiring pickup and delivery may not increase proportionately. The possibility of capturing a goodly amount of premium-rated surface traffic also gives rise to the possibility of shipments of much heavier weights. One authority has suggested they may average more than 800 pounds, since this is an approximate weight for LCL and LTL traffic. Should this be true to any large extent, the numbers of shipments will

not increase in the same ratio as the numbers of ton-miles.

► At the rates which are suggested, it appears quite probable that air freight will be in a position to capture much of the long-haul freight forwarder traffic which now moves by rail and by truck. Any such forwarder traffic may or may not require pickup and delivery furnished by the airlines.

► And—this is a sleeper—should any radical changes take place in the technology of vertical-lift aircraft which would make them more economical to operate, we might contemplate the local cartage movement of some volume of air freight by helicopters. • • •

FREER COMPETITION

(Continued from Page 19)

beginning to take hold in the general business community.

I know from my own experience how hard it is to grasp some of these ideas. A number of years ago I had to take over and run for a while an agricultural supply firm down in Florida. One of the divisions of the company ran several farm implement dealerships. The critical problem of the business was insufficient working capital, and I set about looking for places in the business where money was tied up unprofitably. I very soon became appalled at the amount of cash tied up in spare parts. As you know, tractor manufacturers are almost like automobile manufacturers; they put out a new model almost every year. But farmers tend to use tractors a good bit longer than you or I would use a car, with the result that a farm implement dealer must keep spare parts for what sometimes seems like an infinite number of different types of equipment. I remember computing that on certain types of big equipment, even though we sold a fair number the first year, our entire gross profit would be tied up in the spare parts required to service the equipment.

In those days we ordered spare parts by air only as a last desperate emergency. It seemed like a wasteful luxury. We were not geared up to the idea of air freight; and the manufacturers themselves were not organized to handle expedited orders by air. Looking back I can now see that we could have released a lot of capital and probably given service just as good if we had used the full potential of air freight. But in those days no one was pushing air freight very hard; no one showed us how it could save us cash. And we continued to regard it as an expensive and unusual luxury for emergencies only.

I am sure that any progressive busi-

nessman today would have a different view of the matter, or if he did not, someone in the air freight business would be busy trying to sell him on the idea.

There is still an enormous job of advertising to be done, of course. But advertising budgets must come out of gross revenue, and the advertising for air freight must develop proportionately with air freight itself. I have been pleased with the ever-increasing signs of promotional activity. These mean two things—first, that air cargo prospects are good enough to justify an ever-growing advertising campaign; and second, that with all this increased advertising and promotion, air freight will surely continue to grow.

All-Cargo Aircraft

Still one further basis for optimism today is the fact that widespread and very serious attention is at last being given to the development of all-cargo aircraft. I can't compare the merits of existing planes manufactured in this country or abroad or to speculate about what is on the drawing boards or what manufacturers may produce in the next year or two. I do not know if the classic cargoplane has yet been built, or whether it will be built in the near future. But I do know that for the first time, large amounts of talent, time, and money have been devoted to the problem.

I'm sure it is no secret that there is at present much discussion within the Government over ways to encourage the development of a plane with economic characteristics that will permit a significant lowering of air cargo rates. The discussions, thus far, seem to have centered largely around the technique of Government-guaranteed loans for the purchase of newly developed cargoplanes. The thinking behind this is that the availability of funds through guaranteed loans will lead to orders for cargo planes, which in turn will provide sufficient incentive for manufacturers to come up with a radically new and economically sound cargo aircraft.

Another form of Government assistance being discussed is the underwriting of development contracts to produce a prototype cargoplane, much in the same way that the Navy and the Air Force promote design contests and development programs for military hardware.

There is a third approach which has not been considered as carefully as it might be. Everyone agrees that air cargo rates must come down, but this seems to be regarded as the last step in the chain. In other words, the planning so far revolves around producing



FRIENDLY service PERSONAL attention

for all your shipments to EUROPE

Shipping to Ireland? Britain? Continental Europe? Call
IRISH AIR LINES today for efficient, friendly service.



IRISH AIR LINES

New York: 444 Madison Avenue, N. Y. 22 • Plaza 1-5040
Idlewild: Cargo Bldg. 82, N. Y. Int'l Airport • Olympia 6-6160
Boston: Statler Hilton Hotel • Phone: HUbbard 2-2025

a new plane which is cheaper to operate, then lowering cargo rates, and thus increasing the market to fill up the new planes.

We should consider also, it seems to me, the possibility of lowering rates as the first step in the chain. If air-cargo rates are pegged at a level sufficient by law to stimulate a dramatic growth in air cargo, this will thereby enable the air carriers to negotiate directly, through regular commercial channels, with aircraft manufacturers for the development and production of the right plane for an existing, growing air cargo market. It strikes me that this interferes less with the normal workings of our economy than other approaches, and offers a greater probability that the right plane will be produced.

Low Rates

Were the air carriers sufficiently large and adequately financed to cut rates drastically and accept substantial initial losses in return for the possibility of future profits, it would be preferable, of course, to leave the whole matter strictly to private enterprise. However, the discussion so far has been based on the premise that Government assistance is needed if the air cargo fleet is to be produced as quickly as the nation requires. That being the case, consideration should be given to the establishment of air cargo rates sufficiently low to cause the desired growth of air freight and the consequent development of new cargo planes, using the time-tested method of subsidy payment as an interim measure until air cargo can

stand on its own feet. This, of course, is exactly the method of Government-industry partnership that was used for years to promote and develop the passenger business. It is the system that produced the great American piston-engine passenger planes. In view of its dramatic success in that area, it deserves consideration as a Government program for developing air cargo and air cargo aircraft.

Pricing Problems

As I have said, this whole matter revolves around price, and pricing problems are always among the most agonizing decisions facing any business. The businessman must always decide whether to accept a limited market with a high mark-up or to shoot for the larger market at lower costs to the consumer and a smaller profit margin per unit, in the hope that this will add up in the long run to greater profits and a larger place in the expanding economy. Fortunately for America, our businessmen—almost as a basic tenet of faith—usually are out for the mass market.

Certainly, the pricing of air cargo has all the difficulties of any other pricing problem and an additional one also—the dilemma as to which comes first, the development of an adequate low-cost cargoplane, or the setting of air cargo rates at a sufficiently low price to stimulate a growth in air cargo and the consequent development of a cargoplane with the necessary low operating costs.

The surface (cartage) carriers occupy, it seems to me, quite an unusual position. Unless some state regulatory

agency has asserted jurisdiction, they are to all intents and purposes unregulated, and that is almost unique in the transportation field today. In discussing my talk at the Air Freight Cartage Conference in Chicago, Emery Johnson reminded me that many of them conduct operations under the exemption granted by Section 203(b)-7(a) of the Interstate Commerce Act; that the ICC has in effect washed its hands of them; and that although the Civil Aeronautics Board may have some jurisdiction, the Board never seems to have taken any notice of them. If they have got themselves exempted from one Federal regulatory agency, and another which might take jurisdiction has thus far apparently not thought about them, my advice to them is to lie low and say nothing. They may be able to get away with it for some time. I am not aware of any extensive proposals at the present time for detailed regulation of their operations. But if they keep asking Government officials to come out and talk to them, and we see what a fine big industry they are, sooner or later someone will want to regulate them.

Government Regulation

I feel quite strongly about this. Government regulation is necessary in many fields to protect the public. But Government regulation can become an end in itself, and Government regula-

tors can easily get the idea that an industry cannot exist unless they direct its every action. Businesses, too, can easily fall into the habit of relying on the Government to protect them against any new threat of competition. It is astounding to find how much of the time of the regulatory agencies, both State and Federal, is spent not in protecting the public but in protecting the members of the industry from each other.

I have asked myself recently whether this may not be a large part of the reason for the failure of air freight to develop as rapidly as all of us had hoped. Possibly if we had given freer play to competitive forces in the last 15 years, we today would have a far greater volume of cargo in our planes. You will remember that the all-cargo carriers obtained their authorizations only over the violent protests of the combination carriers. Although they were certificated because they had a valuable role to perform they were not granted subsidy. The all-cargo carriers found that certain low rates of the combination carriers were hurting their business, and succeeded in persuading the Board to establish minimum cargo rates. As I said in a recent dissenting opinion, I think that this was a tragic mistake.

Did Board Forget?

If true promotional air cargo tariffs had been permitted 10 years ago, we might have today the all-cargo plane and the volume of cargo to justify it. It is possible, I think, that the Board was so busy protecting the carriers from each other that they forgot the long-range public interest.

The direct carriers in recent years have tried to place as many restrictions as possible on the air freight forwarders, and I must say they have had a certain amount of success with the Board. The air freight forwarders, in turn, frequently ask the Board to compel the direct carriers to establish more

weight breaks or larger weight breaks.

All of this you see revolves around the idea of protection. Protect one carrier of air freight from another; protect the combination carriers from the all-cargo carriers, and the all-cargo carriers from the combination carriers; protect the direct carrier from the air freight forwarder, and then protect the air freight forwarder from the direct carrier.

Price and Service

Might we not have a far greater volume of air cargo today if we had let these matters be worked out by free competitive forces in the open market rather than by endless Board proceedings and detailed Government regulations? After all, air cargo consists of two things only: one is price; the other is service. Anybody who can come up with a lower price or better service should be encouraged, not hampered in order to protect some other group.

I have just sat through two days of oral argument in the General Passenger Fare Investigation where many of the carriers were represented by lawyers arguing vigorously that since air transportation is now so competitive, managements should have freedom to conduct their affairs like any other business and to set prices with a great measure of managerial discretion. Some of these same attorneys, however, have appeared frequently before the Board during my two years to argue that another carrier or another group must be prevented from cutting fares or improving service because this constituted cut-throat competition or threatened the stability of the industry. Of course, I am a lawyer myself and I recognize the uses of advocacy. I cannot help feeling, however, that air freight would be much further along today if the free competition philosophy had been applied more often than the anti-competition, protectionist philosophy. ● ● ●



Cables:
"AIRSEA"



AIR-SEA FORWARDERS, Inc.

Registered by CAB & FMB No. 682
Customs Brokers & IATA Air Cargo Agents
404 S. Main St., Los Angeles 13, California
Phone: MADison 8-4381 Teletype: LA-477


PETER A. BERNACKI, INC.

Authorized Air Cargo Agent
CAB-Registered Air Freight Forwarders

24 Broadway
New York 4, N.Y.
Phone: BO 9-4800

Cargo Building No. 98
N.Y. International Airport
Jamaica 30, N.Y. OL 6-5435

"CARIBE CARGO" delivers major NEW YORK newspapers daily to SAN JUAN, P.R. in time for early morning distribution!



Trans Caribbean Airways, in cooperation with Blaisdell & Coursey, Inc., leading newspaper distributors in Puerto Rico, expedites daily early morning deliveries of major New York papers to appear on the newsstands simultaneously with local papers. Trans Caribbean's "Caribe Cargo" service between New York and San Juan can make record deliveries of your cargo, too—more economically, more reliably—with personalized attention to all shipments, large or small. "Reserved" cargo space available on all flights. Call now for pick-up—Reservations or information

"Caribe Cargo" Dept.

TRANS CARIBBEAN AIRWAYS

Remember! Interline connections available to Virgin Islands, the Caribbean and all the U.S.A.



NEW YORK Cargo Bldg. 84
N. Y. International Airport, OLYmpia 6-8080
SAN JUAN
P.R. International Airport, San Juan 9-0037

FORWARDERS

BARNETT-AIR DISPATCH DEAL

An agreement between Barnett International Airfreight Corp., New York, and Air Dispatch, Inc., Memphis, has given shippers a new single-document outlet from 16 points of origin in the United States to 120 points of destination abroad. The pact was announced jointly by Norman Barnett, executive vice president of the New York-headquartered firm, and M. H. Branden, president of Air Dispatch.



Barnett



Branden

Announce Agreement

Asserting that "lower air freight rates for small shippers" will result from the Barnett-Air Dispatch arrangement, the forwarding executives stated in their formal announcement:

"A single invoice will include pickup, documentation, domestic carriage, customs clearance at port of exit, and international carriage. It will also provide shipper-to-consignee, door-to-door insurance. It will enable shippers to make savings in paperwork, personnel, insurance, and other costs. . . . The alliance will permit a Texas instrument manufacturer, for example, to ship valuable devices to almost any point in the world on a single shipping document at less cost than it could have dispatched the shipment itself. Savings in paperwork might actually exceed the shipping costs."

Barnett is a long-time entity in inter-

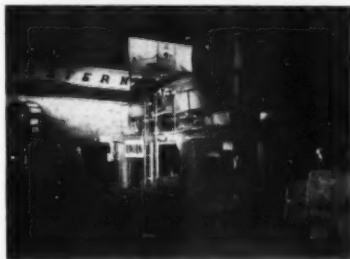
national shipping circles, having been performing services for exporters and importers for three-quarters of a century. It is one of the earlier international air freight forwarding firms. Air Dispatch is a domestic air freight consolidator. The latter will consolidate shipments within its operating area and forward them to a gateway point where Barnett will recombine these into international consolidations for bulk-breaking at overseas stations and delivery to consignee.

In his address at a joint meeting of the two companies held last month in the Hilton Hotel, Chicago, Norman Barnett pointed out that while small shipments will be moving at the lower consolidation rate, "the greatest benefit we offer shippers is that of continued responsibility." In addition to Barnett and Branden, Eugene Roessner, manager of sales and operations for Barnett, provided operational details at the session. Others attending were:

Barnett—Hector Santiesteven, Los Angeles.

Air Dispatch—Ira Stevens, vice president, New York; Ed Ryan, Akron; H. L. English, Charlotte; Gregg Koerner, Chicago; Jo Jack, Dallas; Ray Trampe, Milwaukee; Gene Kilbury, Cleveland; Matthew Molitch, Washington, D. C.; Meyer Kahn, St. Louis; Tom Shelley, Philadelphia; Menden Westcott, Detroit; Lawrence Lahmann, Cincinnati; Marjory Dohoff, Indianapolis; Roy Mix, Minneapolis; Ed Hunter, Los Angeles; Frank Clavier, San Francisco.

DUSSELDORF-CHICAGO



With Union Transport-Betriebe as the air freight forwarding agent, this German-manufactured aircraft, the RW3 Multo-plane, was airlifted from Dusseldorf to Chicago. The powered aircraft-glider, which was produced by Rheinflugzeugbau GmbH., Krefeld-Uerdingen, is shown being loaded into a Seaboard & Western Airlines freighter. It is the first German aircraft to be exported to the United States.

EMERY TO THE RESCUE

A closely coordinated air shipment of urgently needed medical equipment—17 pieces weighing 433 pounds—saved the life of George Akel, Lebanese Member of Parliament. At the request of the State Department of the United States, Emery Air Freight sped an artificial kidney from Chicago to New York (United) to London (Pan Am) to Beirut (BOAC). Consigned to the American Embassy in Beirut, it arrived less than 24 hours after takeoff from the Windy City.

AEI INAUGURATES CAMPAIGN

Alvin B. Beck, executive vice president, Air Express International Corp., on his recent return from an extended European trip, announced a "three-pronged campaign specifically designed to assist importers and exporters everywhere, regardless of location." The drive was opened in Europe with a series of top-level conferences in the United Kingdom and on the Continent. The campaign, Beck said, aims at:

► Greater reduction of import delivery time.

► Integrating the requirements of Europe's exporters to the United States with "the most advanced methods of handling, processing, and no-time-lost delivery abroad."

► Provide Europe's world traders with "AET's vast range of services." Beck, who has since returned to Europe in the company of Chester M. Mayer, chairman of the board and president, stated:

"It is important to bear in mind that while Air Express International is a United States-owned corporation, its entire concept, from as far back as its founding days in 1935, has been based on service to the international shipper. It would be self-defeating to let him down.

FRANK P. DOW CO., INC.

CAB-Registered Forwarder
Authorized IATA Air Cargo Agent
354 S. Spring St., Los Angeles, Calif.
Phone: MADison 6-0171

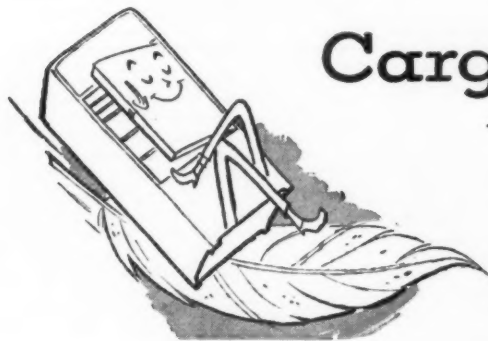
Offices in:
San Francisco, Portland, Ore., Seattle, Houston

FLYING CARGO, INC.

CAB-Registered Air Freight Forwarder
Authorized IATA Air Cargo Agent
140 Cedar St., New York 6, N.Y.
Phone: BRaclay 7-1710

WANTED

Experienced man to represent well-established German air freight forwarding firm. Sales background and clientele helpful. Knowledge of German essential. Good salary. Fine opportunity for right man. Write full details to: Department P, Air Transportation, 10 Bridge St., New York 4, N. Y. All applications confidential.



Cargo loves Panagra

... it's the simpatica airline

- Cargo handled with the tenderest care.
- More flights than any other airline to South America's West Coast and Buenos Aires. Twice daily passenger flights from New York with cargo space. All-cargo flight weekly from Miami.
- No change of plane from New York to 11 major South American cities—over the routes of National, Pan American and Panagra.
- Reserve space on any flight. Custom clearance through either New York or Miami.

PANAGRA
WORLD'S FRIENDLIEST AIRLINE



AIRBORNE

FREIGHT CORPORATION

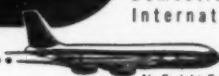
379 OFFICES AROUND THE GLOBE.....

Let Airborne work out a faster, more economical air cargo movement to fit your exact needs...

Call your nearest Airborne office for an analysis of your shipping problems... it's yours for the asking.

COVERING THE U. S., ALASKA, HAWAII, MEXICO, CENTRAL AMERICA, SOUTH AMERICA, EUROPE AND ASIA

FEATURING
"Jet-Speed"
SERVICE
Domestic and
International



Air Freight Forwarders

New York: ORegon 9-5656
Philadelphia: Walnut 3-1034
Chicago: Reliance 5-8866
Seattle: CHerry 2-0512
Portland: Atlantic 8-5877
San Francisco: JUniper 5-4321
Los Angeles: MAdison 6-0503

"We at AEI do not view our industry from the limited standpoint of geographical restriction. We know, for example, that by assisting buyers and suppliers in Zurich or Bangkok or Sao Paulo, we are performing an important service to buyers and suppliers in our own country.

"AEI is a world company, not a local organization with narrow interests. Its particular strength as the world's largest international air freight forwarding organization is rooted in its diversified services offered impartially, and with equal attention to detail, to shippers and buyers in every area of the globe."

MIAMI FORWARDERS ORGANIZE

Thirty-one freight firms in Greater Miami have joined in the new Freight Forwarders and Custom House Brokers Council. The new body is part of the International Affairs Department of the Miami-Dade County Chamber of Commerce. Officers are:

President—Sig M. Glukstad, resident agent, United Forwarders Service.

Steering Committee—A. Abbadie, Jr., agent, Sesko International Co., Inc.; John D. Diaz, general agent, Diaz-Wandembergh International Forwarding Agents; L. O. Murphy, general manager, Mader & Co.; H. George Rediker, president, Tide-way Shipping Corp.; A. M. Stephenson, district manager, Air Express International Corp.; Samuel H. Traeger, manager, Traeger Shipping Corp.

Executive Secretary—Pierre Perez, Miami-Dade County Chamber of Commerce.

CBFAA DELEGATION TO FIATA

The Customs Brokers & Forwarders Association of America, Inc., is sending a delegation to the biennial FIATA Congress in Paris, September 22-25. The delegation is composed of Walter J. Mercer, president of Hudson Shipping Co., Inc., New York, as well as of CBFAA; Alfred Burin, president, Globe Shipping Co., Inc., New York; Erwin Rautenberg, president, Air-sea Forwarders, Inc., Los Angeles; Walter Schaaf, president, Hensel, Bruckmann & Lorbacher, Inc., New York; John L. Westland, Jr., president, John L. Westland & Son, Inc., Los Angeles. The industry sessions in the French capital are sponsored by the Federation Internationale des Transports Aeriens.

AIRPORTS

DATE SET FOR LOS ANGELES

Los Angeles expects its so-called Jet-Age

international airport to be ready to accommodate all those big jet transports by March, 1961. The freight terminal area will occupy 65 acres. Original target date had been January, 1960.

SERVICES

DOMESTIC

DELTA JET SERVICE

Starting September 18, Delta Air Lines will offer shippers DC-8 jet service between New York and Atlanta, lopping a full 28 minutes off the fastest flight time. Delta said that its new Douglas jet will hop from New York to Atlanta in 2:10 hours, and on the return run in 1:50 hours. By October 15, the airline anticipates having half a dozen DC-8s streaking along its routes. It also has 10 Convair 880s on order.

Delta will open with two round trips daily, departing from New York at 9:20 a.m. and 4 p.m., EDT, and arriving in Atlanta at 10:30 a.m. and 5:10 p.m., EST. Northbound departures will be at 11:40 a.m. and 6:35 p.m., EST, arriving in New York at 2:30 p.m. and 9:25 p.m., EDT.

TWA 707s IN BOSTON

With TWA's Boeing 707 runs from and to Boston scheduled for September 1 kickoff, that city will be the 11th in the airline's domestic network to receive jet service. Westbound flight will leave Boston at 9:30 a.m., arriving at Chicago at 10:40 a.m. (where jet connection for San Francisco is available), and Los Angeles at 1:25 p.m., all local times. Eastbound departure is from Los Angeles at 1:30 p.m., arriving at Chicago at 7:10 p.m., and at Boston at 10:40 p.m.

NEW UNITED SERVICE

United Air Lines has inaugurated its first service between Chicago and Milwaukee. A Convair leaves Milwaukee every evening, returning from Chicago the following morning.

EAL ELECTRAS BUSY

Eastern Air Lines recently placed Lockheed Electras in service between Newark and Jacksonville, slashing previous schedules by 18 minutes. The airline also has increased to two its daily-except-Saturday Electra service between New York and St. Louis.

INTERAMERICAN

L.A.-CARACAS ALL-CARGO

Starting September 3, Pan American

World Airways will offer to shippers an all-cargo service linking Los Angeles with Caracas. Operated on a once-weekly basis, the 17,000-pound capacity airfreighters will stop at Houston, Guatemala City, and Panama on the southbound run; and at Panama and San Salvador on the northbound flights. Southbound flight departs Los Angeles on Saturdays at 11:45 p.m. and reaches the Venezuelan city at 2:30 p.m. Mondays. Northbound departure from Caracas is at 11 a.m. every Thursday, landing at Los Angeles at 11 p.m. Friday.

CMA BRITANNIAS TO L. A.

Bristol Britannia propjets will bow into Mexicana's Mexico City-Los Angeles service starting September 1. H. Max Healey, CMA's general manager, said that flying time will be reduced by one hour. Supplementing its daily DC-6 service between the two cities, the Mexican carrier's Britannias will depart from Los Angeles every Sunday, Wednesday, and Saturday.



Kobayashi



Healey

They announce new services

TRANSPACIFIC

JAL TO TAIPEI

Jitsuro Kobayashi, general manager of the American Division, Japan Air Lines, recently announced the extension of JAL service to Taipei. Connecting with its DC-7C flights from three West Coast terminals, the Japanese carrier provides twice weekly service between Tokyo and Taipei, continuing to Hong Kong. Departures from Tokyo are every Sunday and Wednesday.

CAB

RIDDLE TURNED DOWN

Riddle Airlines' application to operate an all-cargo route between New York and Atlanta with an intermediate stop at Philadelphia when necessary was denied by the Civil Aeronautics Board. The airline serves these cities on two separate routes and had proposed to join the services.

"CONCERNED" OVER AAXICO

The Civil Aeronautics Board recently granted Aaxico Airlines' application to suspend its scheduled all-cargo operations until 60 days after decision in the Domestic Cargo-Mail Case (No. 10067). (June, 1959 AT; Page 34.) But it is disturbed that the authorized certificated services are not being operated, and it has informed Aaxico that the Board believes that "the carrier should not be authorized to resume scheduled service pursuant to its certificate without specific prior Board approval." The Board, which stated it was deeply "concerned" over the suspension, said that the airline must submit plans for the resumption of its scheduled

service as part of the Domestic Cargo-Mail Case in which it is a participant.

Aaxico's overall financial position is good. However, according to the airline, it would have been hurt had the scheduled service, which had been running at a loss, continued. The all-cargo carrier successfully entered a low bid for a military Logair contract which, it was reported, did not return to Aaxico enough to offset losses on the commercial operation. The Board said:

"We recognize that maintaining the carrier's financial position and its ability to resume scheduled service are important factors pertinent to the public interest, but on the other hand we must recognize that the carrier's decision to abandon its scheduled operations in the light of potential financial difficulties is inescapably a factor to be considered at the time the question of renewing Route No. 121 comes before us."

Tentative opening date of the investigation is September 28.

SOUTHWEST AREA SCRUTINIZED

Aimed at improving the air service pattern in the Southwestern area of the United States, the CAB has instituted a new investigation. The area to undergo the scrutiny of the Board is bounded by Little Rock, Shreveport, Beaumont-Port Arthur and Galveston, on the east; Little Rock, Tulsa, Oklahoma City, Amarillo, and Denver, on the north; Denver, Albuquerque and El Paso, on the West; the United States-Mexican border, on the south.

EXAMINER OKAYS BAHAMAS

CAB Examiner Joseph L. Fitzmaurice has recommended that a foreign air carrier permit be issued to Bahamas Airways, Ltd., to provide scheduled services between points in the Bahamas and the coterminal points of Miami, Palm Beach, Fort Lauderdale, and Tampa, via Havana.

NOTICE ON TARIFF CHANGES

Amendment of Part 221 of the Economic Regulations governing the posting of tariffs and the making of tariffs available for public inspection, which was made effective last month, provides that "proposed tariff changes shall be posted and made accessible to the public at least 30 days prior to the effective date of such changes, with two exceptions." The exceptions are "in the case of carrier offices or stations outside the continental United States, its territories and possessions (when) the time shall not be less than 25 days before the effective date of the tariff; and except that a tariff publication which the Board has authorized to be filed on shorter notice shall be posted by the carrier on like notice as authorized for filing." Vice Chairman Gurney dissented.

MATS TRAFFIC SOUGHT

Four airlines with scheduled runs across the Atlantic and Pacific have applied to the CAB for permission to confer with the Government as a group, with respect to hauling traffic to United States bases in Europe and Asia. The applicants are seeking an exemption from anti-trust laws which prevent them from joint action. This is another chapter in the continuing battle for a larger share of traffic currently handled by the Military Air Transport Service.

AIR CARGO INSURANCE

MAIL • EXPRESS • FREIGHT

Carriers Liability
Shippers All Risk Anywhere in the World

P A R K E R & C O .

Specializing in aviation insurance for over 30 years

NEW YORK 16
99 PARK AVENUE
Murray Hill 7-6960

PHILADELPHIA 3
1616 WALNUT STREET
Kingsley 5-1200

FACTS & FIGURES

UNITED STATES AIRLINES

ALASKA

Scheduled and charter air freight flown during the first six months of 1959 showed an 88% rise over the similar period of 1958, moving up from 3,027,949 revenue ton-miles to 5,691,295 revenue ton-miles.

ALLEGHENY

Air freight and express boardings in May showed an increase of 243,000 pounds over the 400,000-pound total registered in May, 1958. An 83% jump in freight paced the rise . . . June also showed up well, with air cargo setting a new high at 614,802 pounds for the month. This represented an increase of 34% over the same month a year ago. . . . In July, some 557,000 pounds of freight and express were hauled, showing a gain of 36% over the previous July.

AMERICAN

Scheduled freight ton-miles flown in May went 11.5% over the previous May's total, reaching 8.25 million. This was an all-time May record for a domestic airline. Some 800,000 express ton-miles were flown during the same month . . . In June, freight rose 11.7% over the June, 1958, total, registering 8.869 million ton-miles. Express ton-miles were at 845,000, a 20.4 rise. . . . First-half statistics indicated a 7% rise over January-June, 1958, with 46,091,000 ton-miles flown.

BRANIFF

Report for the first half showed 7,908.05 tons of freight transported, a rise of 30.33% over the comparable half of last year. Ton-miles totaled 4,585,559, a gain of 32.58%. Average freight load weighed 493 pounds, an increase of 36.57%. A total of 2,204.44 tons of express for the half represented a 31.39% increase. Ton-miles were at 1,115,090, a rise of 34.54%. Average express load, at 493 pounds, was 36.57% higher than the comparable figure.

DELTA

Reporting net earnings of \$4,062 million, after taxes, for the first half (\$3.62 per share), C. E. Woolman, president and general manager, indicated that freight and express revenues rose 31.29% and 26.63%, respectively.

FLYING TIGER

May traffic revenues totaled \$1,254,296, as against \$961,421 a year ago . . . June showed a 39.3% increase over the same month a year ago, totaling \$1,261,749 . . . The first half of 1959 showed total revenues of \$7,163,805, a gain of 35.7% over January-June, 1958. This was an all-time record for the company.

LOS ANGELES

The helicopter airline reported a total of 201,793 pounds of express flown in June.

NORTHWEST

Net income for May (\$362,521) was 158% higher than for the same month a year ago. . . . June net income (\$1,190,117) showed an 8.6% rise . . . First-half net income of \$1,880,713 represented a sizable gain of 260.5% over January-June, 1958.

PACIFIC NORTHERN

Freight and express ton-miles combined registered 356,752 ton-miles in June, an increase of 33% over the June, 1958 cargo total.

TWA

Best quarterly earnings in company history are reported for April-June, 1959. Net income of \$8.129 million, before taxes, stacked well against the April-June, 1958 loss of \$864,000.

UNITED

A total of 6.588 million freight ton-miles was flown in May, an increase of 25% over May, 1958; and 6.631 million in June, a rise of 32% over the previous June. Express ton-miles for May and

HENSEL, BRUCKMANN & LORBACHER, INC.

Customs Brokers
Air Freight Consolidators
New York: 6 State St. Bldg. No. 80
DI 4-2390 OL 6-5160
Idlewild Airport: Bldg. No. 80
OL 6-5160

V.T. MANCUSI

CUSTOM HOUSE BROKERS
Cargo Service Bldg. No. 80
N.Y. INTERNATIONAL AIRPORT
Jamaica 30, N.Y.
OL 6-5452

PENSON & COMPANY

Authorized IATA Air Cargo Agent
Customs Brokers

11 Broadway, New York 4, N. Y.
Phone: Whitehall 3-6000, Cable: PENSONAIR
Airport Office: Cargo Service Bldg., No. 80
New York Int'l Airport, Jamaica 30, N. Y.
Phone: Olympia 6-5544

H. G. OLLENDORFF, INC.

CAB-Registered Air Freight Forwarders
Authorized IATA Air Cargo Agent

221-225 E. 55th St., New York 22, N. Y.
Phone: Plaza 3-0545

J. D. Smith Inter-Ocean, Inc.

CAB-Registered Air Freight Forwarders
Authorized IATA Air Cargo Agent

53 Broadway New York 6, N. Y.
80 9-2335 Cargo Service Bldg.
Idlewild Airport
OL 6-5870

June were 1,056 million and 995,000, respectively, representing increases of 31% and 27%. . . . A total of 38,097 million freight ton-miles was flown in the first six months of this year, a 33% gain over January-June, 1958. Express ton-miles, at 5,958 million ton-miles, were up 28%. During the second quarter, freight ton-miles rose 32% to 19,639 million, and express ton-miles were up 28% to 3,031 million. . . . The third quarter started auspiciously with 6,403 million ton-miles of freight and 1,004 million ton-miles of express, respective increases of 21% and 1% over the same month a year ago, reported for July.

FOREIGN AIRLINES

SABENA

Report for the year 1958, just issued, showed "a continuation of the increase in freight traffic, though the rise of 2.7% under this head was less marked than in the preceding year." Ton-kilometers flown reached 31,352,931. Freight revenue from scheduled flights contributed 10.6% of the Belgian carrier's total revenue. In 1957 this figure was 12.3%.

AIR EXPRESS

REA

The Air Express Division reports that in the first half it set all-time highs for shipments, gross revenues, and ton-miles flown. The total of 2,945,724 shipments represented a gain of 15.9% over January-June, 1958. Revenue, at \$22,398,438, rose

20%. The 26,659,618 ton-miles flown loomed as a 22% increase.

FORWARDERS

EMERY AIR FREIGHT

Second-quarter revenue of \$3,205,033 jumped over April-June, 1958 by 44%. This was a new high for the period. Net income, after taxes, was \$109,753 (15¢ per share). First-half net income, after taxes, was \$238,928 (33¢ per share).

CONGRATULATIONS

UNITED STATES AIRLINES

ASA: William M. Dunn, Jr., elevated from vice president-sales and traffic to vice president and general manager. Joining the St. Petersburg-based all-cargo line in 1952, Dunn has moved up the ranks from his first post as station manager. He has also served as director of traffic.



Dunn
Dual offices

Eastern: Thomas H. Kneeland elevated to assistant cargo sales manager in New York City. Having joined Eastern at Boston in 1947, he served there and at West Palm Beach and Miami before becoming assistant station manager at Boston in March, 1957. . . . The following have been promoted to managers of air freight: Edward M. McClane, Jr., New York International Airport; Edwin Phillips, Newark; Walter J. Chesney, Miami; Ray Swiatek, Midway Airport, Chicago; A. V. Brown, Atlanta, Ga.; Joseph R. Adamiak, Boston; Rodrick J. DeBejar, St. Louis, and Antulio Diaz, San Juan, Puerto Rico.



Kneeland
Promoted



Barrett
With Tiger

Flying Tiger: John Barrett former director of traffic and sales for Riddle Airlines, becomes district sales manager at the new office in Miami. A well-known figure in air-shipping circles, Barrett enters his second association with Tiger. He has also been with Pan Am, U. S. Airlines, and LAV.

Seaboard & Western: Samuel I. Fondiler elected treasurer. He joined the company in 1950 and has served as comptroller.

United: Brentano Anderson named assistant to the ground services manager at Bradley Field, Conn. His association with the airline goes back for 20 years.

Western: John K. Bloomer appointed district sales manager in Salt Lake City, Utah. Coming from Braniff, he joined Western in 1954.

TWA: M. D. Nason, Jr., appointed di-



Spuhler



Nason

In new TWA positions

rector of sales and market development on the general sales staff. Fred M. Spuhler replaces him as district sales manager in New York City.

FOREIGN AIRLINES

KLM: Dirk J. Koeleman, vice president and general manager-USA, once more heads the Airlines Division of the Sister Elizabeth Kenny Foundation fund appeal. The Kenny Foundation provides treatment and rehabilitation for various types of crippling disabilities.



Koeleman
Charity post

Lufthansa: Bernd Barg, previously the airline's sales manager, takes over as general manager for South America. . . . Georg Stoecker, until now passenger sales manager, becomes general manager for Europe. . . . Hans Eilers named general manager for Germany. He was district sales manager of Munich.

Swissair: Henry Diggelmann, for the past 22 years associated with Intra-Mar Shipping Corp., appointed by the Swiss airline as New York district cargo sales manager. He will head a territory consisting of States of New York, New Jersey, and New England. Diggelmann served Intra-Mar as assistant vice president and manager of air imports and exports.



Diggelmann
With Swissair

FORWARDERS

Air Express International Corp.: Mario Furnari, director general of Latin American affairs, elected a vice president of the International Affairs Department of the Miami-Dade County Chamber of Commerce. . . . A. S. Hardin appointed Fort Worth representative. He recently retired from Railway Express Agency, with which he was associated for 40 years.

Reimann, Stok & Kersken's: Ben J. Box has succeeded P. H. Verwey as air freight manager of the Dutch forwarding firm. He formerly served as export and transit manager. Box is based at Schiphol Airport.

Airborne Freight Corp.: Edwin M. Harbordt appointed comptroller. He spent

(Continued on Page 32)

INTERNATIONAL FORWARDING AGENTS

E U R O P E

AMSTERDAM

—Schiphol

VAN OPPEN & CO. N. V.

Branches in all main cities
of Holland

Air Specialists—IATA

Verbindingsgeb. Rm. 13A

Cable: VANOPPEN

BASEL

LAMPRECHT & CO. LTD.

48 Peter Marienstrasse

Telex: 88178 Cable: LAMPRECHTSPED
Airport: BASEL-Bielstein

BRUSSELS

20 Rue Picard

Telex: 02 598

and MELS BROEK Airport

RUYS & CO.

Branches: Antwerp (Oever 13)

Rotterdam (Veerhaven 7)

Amsterdam (Pr. Hendrik 86)

Paris (13 Rue Auber)

Hamburg (Bohnenstr. 6)

Cables: RUYS CO

DUSSELDORF

UNION

TRANSPORT-BETRIEBE

Also located at:

BERLIN

HAMBURG

BREMEN

HANNOVER

COLOGNE

MUNICH

FRANKFURT

NUERNBERG

STUTTGART

BREMEN

F. W. NEUKIRCH A. G.

Est. 1885

26 Bahnhofstr

Telex: 824-4797

Cable: NEUKIRCHAG

GENEVA

H. RITSCHARD & CIE S.A.

18 pl. Conavin

Air Specialists

Cable: TRANSPRAIDE

KAUFBEUREN

DACHSER SPEDITION

10 Kappeneck IATA Agent

Headqu: Kempten—Branch: Munich Airport

Cable: DACHSERSPED

LONDON

WORLD TRANSPORT AGENCY, LTD.

1, Martin Lane, Cannon St., E.C.4

and at LONDON AIRPORT

Cables: WORTRANCY, LONDON

MILANO

A. S. I.

(Aero Servizi Internazionali)

City: 6a via Turati

Tel.: 666550-666556

PARIS

LEYGONIE FILS

54 r. de Paradis—Paris IX

Airport Offices: Le Bourget and Orly

Branches: Havre, Marseilles, Roubaix

Air Specialists

Cable: RAPIDITE

ROME

BOLLIGER TRANSPORT

Piazza Di Spagna, 49-50

Established 1909

Phones: 670275-62909-684.775

STOCKHOLM

FALLENIUS & LEFFLERS A/B

POB 2144

Cable: FALLENIUS

Headquarters:

Göteborg

Branches through Sweden

STUTTGART

PAUL V. MAUR

Airport office

Branch—Pforzheim

P.O.B. 30

Telex: 072/3637

VIENNA

Gebrueder WEISS

7 Schoenbrunner Telex: 1808

Cable: WEISSEXPEDIT

ZURICH

—Kloten

LAMPRECHT & CO., LTD.

Head Office: Basel

POB 158 Zurich—58—Airport

City: 20 Claridenstrasse

Telex: 52612

Cable: LAMPRECHTSPED

SLICK

(Continued from Page 6)

starting in 1962 (August 1959 AT; Page 8).

Slick told the CAB:

"Slick Airways expects by 1960 to operate eight DC-6A aircraft serving the entire route structure. It will serve 19 cities directly and will have expedited motor truck delivery to 12 other cities; 31 cities will have at least daily service. This program will generate approximately 85 million ton-miles per year and will fly 20,000 scheduled route miles per day.

"... this program at 70% load factor will lose \$993,000; at 75% load factor it would show a loss of \$225,000; and it would show a profit of \$543,000 at 80% load factor. The losses, of course, increase as the load factor decreases, reaching an estimated loss of \$2.5 million at 60% load factor. The management of Slick Airways expects that the actual volume will fall somewhere between 65% and 75% load factor. These losses occur with a yield of 18¢ per revenue ton-mile and current costs. It is based on revenue solely derived from common carrier freight service. If a rate of return on investment of 10.25% recommended by the examiner in the Passenger Fare Investigation for the Big Four were applied to Slick Airways, the total subsidy required to yield this rate of return at 70% load factor would be \$1.9 million on the \$9 million investment of Slick Airways.

"Slick Airways is applying for a permanent certificate to carry mail. It proposes to carry this mail at freight rates plus a priority charge. For this phase of operations Slick would carry priority air mail at approximately 23¢ per ton-mile, or almost 15¢ below the rate which the Big Four receive. If 5% of its available capacity were utilized by mail (4.3 million ton-miles of mail) the subsidy required at 70% load factor would be reduced by approximately \$1 million, or to a sum of \$934,000. At 75% load factor the subsidy would be reduced to only \$166,000; and at load factors exceeding 76% no subsidy would be required.

"If in addition to the mail volume two DC-6A aircraft were utilized fully in charter service, such as Slick is now providing for the military at current rates, the subsidy at 70% load factor would be reduced still further to a sum of \$200,000 at 70%; above 71% load factor there would be no subsidy required.

"On July 15 Slick Airways signed a letter of intent in which it committed itself to purchase up to six Lockheed Electra aircraft which would be in service by 1961. The great speed and high capacity of this aircraft would raise Slick's capacity to 107 million ton-miles. A total of 36 cities would be served, 19 by direct air service and 17 by expedited motor truck delivery. These Electras would be purchased by Slick Airways if agreements to lease them to other operators by the end of 1962 can be negotiated. The management of Slick views these aircraft as an interim type which would provide better quality service, additional lift, and some reduction in cost. The investment in these aircraft would, of course, be considerable. Their acquisition would increase the total investment in Slick Airways by \$16 million, thus bringing it up to a total of \$25 million.

"At 70% load factors the Electra would yield (at 18¢ per ton-mile) a net income before taxes of approximately \$700,000 compared to the loss at a comparable load

factor of the eight DC-6A aircraft of approximately \$1 million. However, in view of the greatly increased investment, the subsidy at this rate of operations would be approximately \$1,048,000, a reduction of about \$900,000 from the subsidy required for operating eight DC-6A aircraft.

"On the basis of its studies, the management of Slick believes that several aircraft types will be available to it by the middle of 1962 on which a true air freight service can be predicated.

"On July 15 Slick Airways signed a letter of commitment with the Lockheed Aircraft Corporation on which it paid a \$25,000 deposit agreeing to purchase at least four Super Hercules aircraft. Lockheed agreed to produce this aircraft, if at least 10 were ordered by the armed forces. Slick would receive these planes starting in mid-1962. If Slick is given a permanent certificate and made eligible for subsidy, it proposes to acquire 11 of the Super Hercules or equivalent types.

"The management of Slick Airways believes that the greatest economy in the use of such aircraft can be obtained only through their maximum utilization. In summary, 38 cities would be served; 21 directly and 17 by expedited motor delivery. The airplanes would fly approximately 5,200 miles per day per aircraft, five days per week or about a daily utilization of 15 hours. The 11 aircraft would have a capacity of 619 million ton-miles per year and they would fly approximately 62,000 route miles per working day.

"It is obvious that this represents a radical departure from previous air freight operations. Slick expects to operate these aircraft at higher than 80% load factors and would therefore generate almost twice as much freight as the entire industry carried in 1958. Clearly such volumes will not be had at current air freight rates of 18¢ per ton-mile. The management of Slick proposes to effect a reduction of approximately 50% in air freight rates and its average yield with these aircraft would be about 9¢ per ton-mile.

"The GL207 and equivalent types, if employed in the manner indicated, would open up vast new markets for air freight; to wit, virtually the entire field covered by the motor truck industry hauling freight 300 miles or more. It should be noted that the route efficiency of air compared to that of highway is approximately 15% greater so that a rate of 9¢ per ton-mile would be equivalent to a truck rate of about 7.7¢ per ton-mile. Such a rate is squarely in the current truck rate mixture and there is little doubt that the volume of one-half billion ton-miles which is forecasted is only a very small percentage of the potential freight available at these rates. Current intercity truck volume is about 250 billion ton-miles. Recognizing that much of this traffic moves distances below 300 miles and that rates lower than 7¢ per ton-mile prevail, nevertheless, there is a tremendous potential market available for air movement. Slick estimates that there is at least 25 billion ton-miles of such freight available at the rate it proposes.

"Clearly air freight thinking has to be revised. The emphasis in current operations is on schedules with heavy transcontinental legs. Where aircraft approach truck rates the emphasis must change. It is evident that vastly more traffic moves within the range of 300 to 1,000 miles than transcontinental distances. The schedules of Slick Airways reflect this basic economic fact.

"The earnings which Slick expects with the Super Hercules aircraft or equivalent

types are high enough to virtually eliminate the possibility of subsidy payments being required once these aircraft have been integrated into an air freight system. The number of aircraft we propose to acquire with its ancillary ground handling facilities will require an investment of approximately \$52 million. There is virtually no possibility of Slick being able to obtain such funds at reasonable cost either through debt or equity, without obtaining a permanent certificate and subsidy eligibility. Obviously no one can expect such investment to be forthcoming without guarantee that the carrier has the right to remain in business. A temporary certificate is not such a right.

"Subsidy eligibility is necessary because of the inherent risk, attendant upon the introduction of a radically new aircraft, a radically new system of ground handling, and a radically new air freight concept. Moreover, it will be three years on any realistic estimate, before the full impact of such equipment will make itself felt. During this time Slick must operate on the equipment now available which, as we have indicated, will very likely lose money. The shipping public must be educated to the use of new equipment no matter how superior it is. The risk of a recession which, if we are to judge on the basis of past business cycle history, may occur in the next three or four years, will seriously affect the total freight movement. That is particularly true of air freight which serves the basic transportation needs of industry and not the small package movement only.

"Without subsidy eligibility the cost of capital will be very much greater. In acquiring DC-6A aircraft in the past, Slick has paid rates in excess of an effective rate of interest, of 15%. Carriers with permanent certificates and subsidy eligibility can obtain capital at much lower costs. The management of Slick must contemplate that its subsidy eligible giant competitors, AAL and UAL, will eventually obtain similar equipment once the all cargo carriers have pioneered the way, as they have done in the past. To saddle Slick with capital costs greatly in excess of its competitors will be to repeat the sad history once again on a more massive scale."

CONGRATULATIONS

(Continued from Page 30)

some years abroad as a consular officer with the United States Foreign Service before joining Airborne's accounting department in 1957 . . . Hugh J. Webster



Harbord

Webster

Appointed by Airborne

heads Airborne's expanded operations at Lambert Field, St. Louis, as manager. Before coming to Airborne, Webster was associated with TWA and 4-A Freight Corp.

(Concluded on Page 33, Column 2)

BOOKS

Daniel R. Zuck, in his *An Airplane in Every Garage* (Vantage Press; 192 pages; \$4.50), deplores the current low state of youthful interest in aviation. He calls it "catastrophic for our national defense," and it hits us under the economic belt as well. How to counteract this state of affairs? The author proposes a private plane in every garage "as a means to capture their interest, enthusiasm, and energy." What Zuck would like to see is "an appeal equivalent to that of the hot rod and the sports car." The best way to this objective, as Zuck sees it, is through the roadable plane. He makes an interesting case for his thesis.

Boeing 707 (Ballantine Books; 212 pages; paperback, 50¢), by Martin Caidin is the complete story of the big jet transport which is becoming an increasingly familiar sight in the skies. A vividly written account, not only of the aircraft, but how and why American Airlines settled on the 707.

The prolific Martin Caidin is represented by another book, concurrently published. It is *Spaceport U.S.A.* (E. P. Dutton & Co., Inc.; 380 pages; \$4.95), a dramatically presented story of the Air Force Missile Test Center; a total picture of Cape Canaveral, Florida, "shipping port for the Age of Space." Caidin, employing his usual vivid terminology, provides an unusually interesting story of Canaveral to prove his assertion that it is "the most intensely exciting single place in the United States." He writes with the assurance of full knowledge of his subject, and with boundless enthusiasm. Caidin has given us a good picture of Canaveral, as well as the basic reasons why "it is now the crux of our hopes for Tomorrow." Well-illustrated.

Happy Landings in Europe (Vantage Press; 228 pages; \$3.75) is a personal account by N. Sharp of his travels through the non-Iron Curtain countries. He devotes a chapter to each country, providing a certain amount of tourist information on each.

Kenneth Brown's **Package Design Engineering** (John Wiley & Sons, Inc.; 263 pages; \$8.50) is a first-rate text which explains the fundamental engineering principles of package protection. Covers commercial and military applications. Discusses various important factors. Mathematical formulas used in the book will be understood by anyone with a high-school knowledge of algebra, physics, and trigonometry. Nineteen chapters. Well-illustrated.

In **Stepchild Pilot** (Robert R. Longo Co., Inc.; 191 pages; \$4.95), Joseph Doerflinger writes of his adventures as a member of the historic Von Richthofen Flying Circus of the First World War, his later work for the French, and then as a flyer in this country. An arresting personal history which parallels a large part of plane history.

A complete and up-to-the-minute account of the United States Air Force will be found in an excellent volume edited by Tom Compere and William P. Vogel, Jr., **The Air Force Blue Book—Volume I** (Bobbs-Merrill Co., Inc.; 382 pages; \$4.95). Contains 45 chapters which provide as thorough a picture of the USAF as one can hope to get. Loaded with facts. A must in any aviation library.

Red Sky at Night (Roy Publishers; 192 pages; \$3.50) was written by Kendall McDonald. It is the unusual story of Jo Capka, a captain in the Czech Air Force, who, in 1940 escaped from his native country to Poland, France, North Africa (here he was with the Foreign Legion), then back to France, and ultimately to England. He became a RAF bomber pilot. After 52 bombing raids he turned fighter pilot. Then came injury, hospitalization, return to Czechoslovakia, and imprisonment on trumped-up charges. Two years ago he returned to his wife in England. This is a stirring personal story, with Freedom a partner in a long ordeal.

Asher Lee has edited an impressive series of articles written by American, British, German and Russian authorities, which comprise the book, **The Soviet Air & Rocket Forces** (Frederick

A. Praeger; 311 pages; \$7.50). Not only is it interesting, it adds up to a shocking warning that "Soviet air and rocket power developments of the last five years have brought the Kremlin to the state of military preparedness in which it might reasonably gamble on a victory over the West." Eleven authors are represented in this eye-opening volume's 19 chapters. One of the chapters, by Dr. Kenneth Whiting, is devoted to Soviet civil aviation, whose progress since World War II "has been little short of phenomenal."

The well-known aviation writer, David C. Cooke, is responsible for **The Story of Aviation** (Archer House; 264 pages; \$4.95), a rather concise history of "man's struggle to fly," from mythological reference to the Jet Age. In this condensation of air history not a little has been omitted. For example, in a chapter devoted to the story of the airlines (in itself a silver of transport history), there is a sketchy reference to passengers and another to mail, but none to that facet of air transportation which most now concede eventually will surpass all others—freight. Illustrated.

Agnew H. Bahnson, Jr.'s novel, **The Stars Are Too High** (Random House; 250 pages; \$3.95), deals with a fabulous spaceship, the *Argonaut*, control of which automatically means control of the world. It has been developed by a trio of idealists who are more eager to bring permanent peace to all the world, rather than to give it to any one country which undoubtedly would include it in its arsenal. (Russia and the United States are teetering on the brink of war.) So intent are the antagonists on nabbing the elusive *Argonaut* that ultimately they do the unthinkable: they return to the forgotten role of allies in the task of hunting down the spaceship. (The Secretary of State speaking: "If a lasting peace cannot be carved from this situation, it never will be.") Exciting stuff here. A good action novel.

William Groninger shows promise in his first novel, **The Run from the Mountain** (Rinehart & Co., Inc.; 308 pages; \$3.95). This is the penetrating story of Herman Wakely; an honestly told tale of a young M. P. in the United States occupation army in Japan, who got, hep as he grew up. It is also the story of Dillavou, a staff sergeant, who is a memorable character. Groninger

gives us no pastel picture of army life, even in peacetime. He pulls no punches. If some of the characters and situations in the book are familiar, he has given certain twists to the plot which help to distinguish *The Run from the Mountain* from the rest of the peacetime—army and postwar—Japan novels.

In **The Manchurian Candidate** (McGraw-Hill Book Co., Inc.; 211 pages; \$4.50), Richard Condon has endowed his second novel with a secretly brainwashed American sergeant, handsome Raymond Shaw, who is returned from Korea to the United States where he is received as a hero and is awarded the Congressional Medal of Honor. From that point on, the story progresses through a welter of plot and counterplot, involving the hero's unsavory parents (his mother has a lust for political power; his stepfather is a demagogue of the worst sort) and slashing violence against an enormous canvas—all the while young Shaw, innocently primed by the Chinese scientist for explosive action against the forces of democracy, ticks to the preset Zero Hour. ("The conception of people acting against their own best interests should not startle us," Dr. Yen Lo lectured. "We see it occasionally in sleepwalking and in politics every day.") What ultimately happens makes for an exceptionally good story, fascinatingly written by Condon. He is a good hand at both the dramatic and the ridiculous, both of which appear in the book in liberal doses.

The English travel writer, Anthony Carson, is a number of cuts above most of the members of his particular branch of the writing profession. A good example of why this is so is his **A Train to Tarragona** (British Book Centre; 219 pages; \$3.75). Tarragona is in Catalonia, Spain. It is "a very Roman city, a little decayed but patrician, specializing in wines, particularly a dark bitter wine called Priorate which dries you up like a sermon. It is grown on slate. Tarragona has a particular kind of smell, a tinge of gas, of cheap coal, of rubber, of excrement, and of foul vinegar . . . Which should give the reader an excellent idea of how Carson attacks his subject. A thoroughly enjoyable book about a fascinating little place with even more fascinating people—a worthy answer to Carson's editors who originally had sought a book on Madrid.

CONGRATULATIONS

(Continued from Page 32)

Air-Land Freight, Inc.: Bernard Frank Fernandes, a well-known figure on the West Coast, has been named general sales manager of the San Francisco-based firm. Before becoming associated with the air freight forwarding industry several years ago he was for five years with Alaska Airlines . . . George A. Fellner has been appointed sales representative.



Fernandes



Fellner

Named by Air-Land

American Shippers, Inc.: Donald Geary has been elevated to Eastern regional manager, succeeding Sidney Kreps whose resignation was announced last month.

IATA

WOOD HEADS PARLEYS

W. Gordon Wood, vice president of Trans-Canada Air Lines, will preside over the IATA Traffic Conferences at Honolulu, beginning September 22. The sessions, expected to last three weeks, will consider recommendations to governments for the fares and rates for scheduled international air transportation for the year beginning April 1, 1960. Wood is chairman of IATA Conference No. 1, comprising the Western Hemisphere, as well as chairman of the Traffic Advisory Committee of IATA.

INTERLINE

UAL ADDS TWO MORE

Interline traffic agreements with Polish State Airlines and Hungarian Air Transport have been announced by United Air Lines. These represent the third and fourth interline pacts between UAL and Central European air carriers.



The numbered paragraphs on this page correspond with the numbers appearing in the prepaid order card attached here for your convenience. To order one or more pieces of literature, or other types of materials, at absolutely no charge to you or your firm, just encircle the corresponding number in the order card, fill in the required information, and mail it in. Air Transportation will do the rest of the job.

45 Quick reference wall-size guide for routing air freight shipments from New York City to more than 400 cities in the United States and abroad. Lists the air carriers serving the major cities of the world.

46 New descriptive folder on an overhead tool mount, a mobile suspension unit for steel strapping tools. The mount allows steel strapping equipment to be moved to any point within a large floor area, as well as up and down to the required strapping height for each package or unit to be strapped.

47 BOAC's Memorandum Tariff No. 6, which lists air cargo rates and flight schedules between United States points and transatlantic, transpacific and Caribbean destinations. Contains additional information of interest to the shipper.

48 Six-page folder illustrating and describing Elwell-Parker's new line of heavy-duty electric-powered fork trucks.

49 *Better Ways to Package and Unitize and Ship*, a 48-page booklet published by a steel strapping manufacturer, loaded with ideas for improving packaging and shipping methods in all industries. Well-illustrated.

50 *How to Use Direct Mail to Promote Your Business*, a valuable 32-page booklet which should be of interest to all business executives. Easy to read. Profusely illustrated.

51 Eight-page brochure which shows how a certain new material lowers packaging and materials handling costs. Applications on various commodities illustrated.

Please Read This

Items are offered in *Come 'n' Get It* for three consecutive months. Added this month are items Nos. 63 to 72.

Items generally remain available for approximately three months after the last time of publication, but may be withdrawn earlier.

52 Air Express International's new Memo Tariffs for small-parcel shipments between New York/Newark and all points in Switzerland and France. These tariffs offer single-charge, all-inclusive general and specific commodity rates which "enables the importer to know at a glance the exact total cost of his shipment with the sole exception of the duty."

53 Here is a condensed guide to Hyster's line of industrial trucks and attachments for materials handling. Illustrated.

54 *Six New Ways to Promote Your Products*, a new illustrated booklet which shows how air freight can assist with sales promotion and merchandising campaigns. Produced by Emery Air Freight Corp., the booklet is keyed to the needs of the graphic arts industry, intended for advertising, sales, and management personnel, and describes the advantages of air freight for handling shipments of promotion material and mass distribution of printed matter.

55 Transatlantic schedules and air freight commodity rates of Irish Air Lines. This handy folder also provides a quick-reference documentation guide.

56 *Air Cargo Rates and Documentation Requirements to Argentina*, a special folder prepared by Panagra which gives tips of value to the exporter.

57 Circular describing Lewis-Shepard's 2,000-pound capacity lightweight hydraulic pallet truck. Contains illustrations, specifications, and operating details.

58 *Docker Facts and Factors*, an eight-page illustrated booklet designed to show the place for the stand-up, end-control truck in modern material handling systems.

59 *Why We Use Battery-Electric Industrial Trucks*, an 18-page booklet, fully illustrated, which highlights the major features of the construction and operating characteristics of the battery-powered industrial truck.

60 *The AEI-Neptune Deal—What It Means to Shippers*, a highly significant reprint of an article which points up the economic aspects of airlifting entire households from and to any two points in the world. Of particular interest to firms with offices abroad.

61 Here is an instructor's manual to be used as a guide for an industrial truck operators' training program. Published by the Automatic Transportation Co., this 20-page booklet discusses theory of operation, good driving practices, details of construction in principal types of trucks, practical operation, and demonstration and written examination for the driver trainee.

62 New four-page bulletins illustrating and describing Elwell-Parker's 2,000- and 3,000-pound capacity electric-powered fork trucks, designated Models F-48T2 and 48T3.

63 A new 24-page booklet, *What Makes It Tick?*, describes in detail Towmotor's new Stream-Liner series of fork lift trucks which are available in eight different gasoline, diesel, or LP-gas models.

64 A valuable wall chart which provides conversion factors for all types of businessmen working with weights and measures has been made available. Hundreds of conversions.

65 Descriptive brochure and samples of a new synthetic protective covering said to outwear cotton duck canvas four to five times. Reportedly "indestructible," waterproof, shrinkproof, fireproof, unaffected by mildew, half the weight of canvas, flexible even in sub-zero weather.

66 *The Story of Air Transport Progress*, an excellent 28-page booklet which capsules the progress and current state of the scheduled airlines of the United States, together with an outline of career opportunities with the airlines.

67 Alitalia's Air Cargo Memorandum Tariff and File Folder which provides some 3,000 general commodity rates, plus a specific commodity rate chart. Includes easy-to-understand rules and regulations, conversion tables, and a chart of DC-7 dimensional limitations.

68 *Warehouse Layout: Narrow Aisles or Wide?*, a new eight-page brochure published by a manufacturer of materials handling equipment. Brochure is designed as a guide to those who must decide which type of warehouse is best for his installation.

69 All business and traffic executives will be interested in this new eight-page, illustrated booklet, *How You Can Scale Down Today's Higher Postage Costs*. Shows how a precision mailing scale can help to offset increased postage costs.

70 New revised edition of the National Safe Transit Committee's Official Test Procedures booklet, which describes the procedures used in performing the NSTC preshipment tests. Only one copy will be given free to each person requesting it.

71 *Delta Flies Air Freight at Air Mail Speed*, a new folder which gives a condensed story of why shipping by air is a valuable economic tool for the shipper. Produced by Delta Air Lines, it includes sample rates and a dozen examples of "discounts" (no hidden charges) when air freight is used.

72 *The Inside Story of the Pace-Maker Series*, a 24-page manual published by Towmotor. It discusses the engineering, functional styling, and improved operating features in its new Pace-Make fork lift trucks.



You can't afford to use adhesive stamps in the shipping department today—

Back in the days when you could hire a shipping clerk for a song, time didn't mean much—or cost much!

Today stamping parcels by hand is a high cost operation. Stamp sheets must be separated, sorted in trays or drawers. Stamps must be selected for the amount of postage needed; then moistened and stuck. And stamps, with their sticky backs, must be handled delicately at all times.

Now that you can have a postage meter, you can't afford to use adhesive stamps. With a meter, you print any stamp you need — by merely dialing the amount, pressing a lever. The stamp comes out on special tape, delivered wet or dry.

You save as much as 50% in mailing time, stamp more parcels in less time, make earlier deliveries to the postoffice, cut overtime, even in peak seasons.

Meter stamped parcels require less processing in the postoffice, can often make earlier mail trains and planes. And the meter stamp shows the date of shipment.

You don't have to keep postage under lock and key. It's safe in the



Modern metered parcel mailing saves time, money and postage.

meter, protected from loss, damage, misuse. And automatically accounted for.

Your postage inventory can be smaller, because all the postage in the meter is useable. The postoffice sets it for as much postage as you want to buy. And the same meter can stamp and seal outgoing letters.

A meter adds to the manpower and efficiency of your department. Call the nearest Pitney-Bowes office for a demonstration, in your own department. Or send the coupon for free illustrated booklet — "Some Eye-Opening Facts about Parcel Post."

FREE: Handy desk or wall chart of new postal rates, with parcel post map and zone finder.



PITNEY-BOWES

Postage Meter

PITNEY-BOWES, INC., Stamford, Conn.

...leading maker of mailing machines. With offices in 121 cities in U. S. and Canada... service available from 302 points.

PITNEY-BOWES, INC.

1878 Pacific St., Stamford, Conn.

Send ☐ free booklet ☐ postal rate chart to:

Name

Address





DETROIT on FRIDAY



GENEVA on WEDNESDAY

SWISSAIR MOVES CHRYSLER INTERNATIONAL EXECUTIVES, THEIR FAMILIES AND FURNITURE TO EUROPE AT LESS COST THAN SURFACE TRANSPORTATION!

Meet a happy family. One of a hundred happy families, in fact. All were recently transferred from Detroit to Geneva, Amsterdam and London. And all were moved there by Swissair in a giant, precedent-setting airlift. Result: each move took *days* rather than weeks... each family was transferred as a unit... over-all moving costs were lower than



surface transportation. Why Swissair? Swiss-Care for one thing. Like the way we converted our roomy DC-6A's into flying furniture vans to eliminate crating and storage, cut loading and unloading time, assure safe delivery. If you'd like *your* freight handled as you would handle it yourself, give us a call or remind your forwarding agent.

ALL-CARGO FLIGHTS EVERY TUESDAY AND FRIDAY PLUS CARGO SERVICE EVERY DAY TO ANYWHERE IN EUROPE AND BEYOND. OFFICES IN NEW YORK • CHICAGO • SAN FRANCISCO • LOS ANGELES • CLEVELAND PHILADELPHIA • ATLANTA • DALLAS • WASHINGTON • TORONTO

